eBuy/Accounts Payable

Users Group Meeting

(March 2018)
Agenda

• Staff Updates

• Feedback Results (December 2017 Meeting)

• UCR P2P Process
Staff Updates

Accounts Payable
- Vendor Maintenance (Replaces A. Jimenez) (Temp-Sophia Jamshidi)
- Accounting Assistant III (Replaces E. Danford) (Temp-Philisa Merino-Dent)

Procurement
- Procurement Manager
- Procurement Analyst 4 (Replaces M. Lee)
- Pro-Card Administrator 4 (New)
- Pro-Card Administrator 3 (New)
### Survey Questions – Quality Rating

1. How useful was the information presented at this specific eBuy/AP User Group meeting?

   - Somewhat Useful: 5
   - Mostly Useful: 5
   - Useful: 4
   - Very Useful: 9

2. How likely are you to attend future eBuy/AP User Group meetings?

   - Maybe: 1
   - Likely: 5
   - Very Likely: 17

78% of attendees considered information Mostly Useful to Very Useful.

96% of attendees are Likely to Very Likely going to attend future meetings.

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**Next Steps**

- Request feedback regularly
- Review responses
- Share results
- Act on recommendations

*July ‘17 results reported: Dec ‘17*
## User Group Feedback (Dec ’17)

### Survey Questions:

<table>
<thead>
<tr>
<th>Survey Question</th>
<th>Rating</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>The meeting and materials were relevant to my daily business activities.</td>
<td></td>
<td>16</td>
<td>8</td>
<td>4</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>My time at the meeting was used wisely.</td>
<td></td>
<td>5</td>
<td>11</td>
<td>8</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>The presenters were knowledgeable of the subject matter.</td>
<td></td>
<td>7</td>
<td>11</td>
<td>7</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>The meeting environment (the room, temperature, lighting, materials) was a conducive learning environment.</td>
<td></td>
<td>18</td>
<td>9</td>
<td>3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### December 2017 Users Group Meeting

- Attendance: 86
- Survey Response Rate: 35%

### Previous participation results

<table>
<thead>
<tr>
<th>July 2017 User Group Meeting</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance</td>
<td>113</td>
<td></td>
</tr>
<tr>
<td>Survey Response Rate</td>
<td>20%</td>
<td></td>
</tr>
</tbody>
</table>
Procure-to-Pay
Procure-to-Pay

Training Purpose

BUS 43 - Purchases of Goods and Services; Supply Chain Management (https://policy.ucop.edu/doc/3220485/BFB-BUS-43)

- Focus on key P2P related areas and provide attendees with useful takeaways that result in increased efficiency and better understanding of UC policy

- To also recognize that data used for purchases is utilized by other departments (e.g., Auditors, Equipment Management, Procurement, Accounts Payable) to complete their tasks, so accuracy is important
Procure-to-Pay

- Areas of focus:
  - Products
  - Low Dollar Value Purchases (< $2,500)
  - Purchases >$2,500 but <$100,000
Procure-to-Pay

Topics not covered today*

- Purchases in excess of $100,000
- Solicitations (e.g., RFPs, RFIs, RFIs)
- Services
- Contracts

* These topics will be covered in a future training session
Procure-to-Pay

1. Identification of Need
2. Specification Development
3. Supplier Selection
4. Purchase Order
5. Delivery & Receiving
6. Payment

6 distinct phases
Procure-to-Pay

1. Identification of Need
2. Specification Development
3. Supplier Selection
4. Purchase Order
5. Delivery & Receiving
6. Payment

 Presenter: Ellery Triche
Identification of Need

Where an individual or group determines there is a business need then try to figure out how and where to get it.
A good purchase description gives seller a clear idea of what product is needed by the requestor.
Specifications

“A written statement of an item's required characteristics documented in a manner to facilitate its procurement, or production and acceptance.”

Contain descriptions which are adequate to obtain competition, will insure responsive quotations, will provide the same information to all competing suppliers and to the fullest extent practicable, do not favor one brand, trade name, article, manufacturer, or supplier over others.

When it is believed that no other brand, trade name, or item will properly satisfy the needs of the University, specifications should include a description of the technical features necessary to determine if other available goods or services are equivalent to those specified.

Brand or trade names should be used for descriptive purposes only
Specifications

TIP! Whenever possible use manufacturer part numbers or SKU (stock keeping unit) when searching eCatalog or the internet for potential sources

SKU

Utilize general specifications to allow suppliers to provide competitive quotes or alternative options

Hammer, claw, steel head, wood handle, hand tool for nails, 12 inches long, 5 each

Decide if work or research can be done with an item that is off-the-shelf versus custom

Determine if it has been previously purchased by UC/UCR. (If yes, this information will help with supporting the purchase and documentation of price reasonableness)
Specification Development

Following are examples of a specification and an improved version

Example #1

<table>
<thead>
<tr>
<th>Line</th>
<th>Qty</th>
<th>UOM</th>
<th>Catalog Number</th>
<th>Unit Price</th>
<th>Tax</th>
<th>Tot Amt</th>
<th>Expected Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Each</td>
<td>N/A</td>
<td>2,787.560</td>
<td>Y</td>
<td>2,787.56</td>
<td>FAU</td>
</tr>
</tbody>
</table>

Description: Peptide synthesis

Example #1 (Improved)

<table>
<thead>
<tr>
<th>Line</th>
<th>Qty</th>
<th>Unit</th>
<th>Catalog No</th>
<th>Delivery</th>
<th>Tax</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Lot</td>
<td>#SP0001</td>
<td>11/30/2017</td>
<td>Y</td>
<td>$2,381.113</td>
</tr>
</tbody>
</table>

Description: Custom Peptide Synthesis:

>Peptide #1
Peptide Name: HS (67 aa)
Sequence(N to C):

<table>
<thead>
<tr>
<th>Line</th>
<th>Qty</th>
<th>Unit</th>
<th>Catalog No</th>
<th>Delivery</th>
<th>Tax</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>1</td>
<td>Lot</td>
<td>#SP0001</td>
<td>11/30/2017</td>
<td>Y</td>
<td>$371.448</td>
</tr>
</tbody>
</table>

Description: Custom Peptide Synthesis:
Example #2

<table>
<thead>
<tr>
<th>Line</th>
<th>Qty</th>
<th>UOM</th>
<th>Catalog Number</th>
<th>Unit Price</th>
<th>Tax</th>
<th>Tot Amt</th>
<th>Expected Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Each</td>
<td>230/460 volt</td>
<td>3,200.00</td>
<td>Y</td>
<td>3,200.00</td>
<td>FAU</td>
</tr>
</tbody>
</table>

Description: Pump, 230/460 volt, 15 horsepower.

Example #2 (Improved)

<table>
<thead>
<tr>
<th>Line</th>
<th>Qty</th>
<th>Unit</th>
<th>Catalog No</th>
<th>Delivery</th>
<th>Tax</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Each</td>
<td>20-031015</td>
<td>09/06/2017</td>
<td>Y</td>
<td>$3,875.00</td>
</tr>
</tbody>
</table>

Description: Cornell Pump (booster), Model #3RB-15-4, 230/460VAC, 15hp, 2yr Mfgr warranty, W/TEFC motor upgrade
Procure-to-Pay

1. Identification of Need
2. Specification Development
3. Supplier Selection
4. Purchase Order
5. Delivery & Receiving
6. Payment

Presenter(s):
- Henry Gutierrez: Purchases ≤$2,500
- Kathy Ensign: Purchases > $2,500 / <$100,000
- Aver Smith: New Suppliers
Supplier Selection (<$2,500)

• It’s important to exhaust all our campus resources, including other campus service providers (storehouse, P&R, Facility Services, Dining, etc.) as most have the right of first refusal

• Utilize local/UC agreements already in place

• Recommend use of eCatalog suppliers whenever feasible
  o Use the manufacturer’s part number/SKU to conduct searches

• Competitive quotes are not required at this dollar threshold, but always encouraged
  o Quotes are not required if using eCatalog, which can do price comparisons within the system
Supplier Selection (<$2,500)

• Get quotes in writing

• Procurement makes the final determination of price reasonableness
  
  o If price reasonableness cannot be determined from a single quote multiple quotes may be required

  o Generally, purchase value, complexity and market conditions are determining factors

• Exceptions to policy must be approved by the campus Policy Exception Authority (the Chief Procurement Officer)
Supplier Selection (<$2,500)

**Audience Question:**
When you receive a non-agreement order request for $2,501 from the requestor or end user, what should be your first step?

**Response:**
- Determine if it’s something previously purchased through one of the other campus service providers and if so, redirect to them
- If not then use eCatalog, utilizing manufacturer part # or SKU to see if it’s available there
- Check Local or UC Agreement sources to see if it’s available there
- Search the internet as a final resort
Supplier Selection

Purchases

>$2,500 / $100,000

Kathy Ensign
Supplier Selection ($>2,500/$<100k)

Everything discussed for purchases $<2,500 also applies up to $100,000, plus:

- e-Buy has suppliers for many of the products needed by the campus. If help is needed, we are happy to assist in determining which one(s) fit your needs.

- In this price range, more emphasis is placed on the award decision.

- Price Reasonableness becomes a critical factor.
  - The preferred method to determine price reasonableness is competitive quotes. If there are multiple quotes and the lowest quote is accepted, then it is easy to make this determination.
Supplier Selection (>2,500/<$100k)

- Three UC approved methods of evaluating quotes (and determining price reasonableness):
  - **Cost alone** -- all things considered equal between quotes, the lowest price wins.
  - **Cost per Quality Point** – *used for more complex purchases where other factors will be weighed in addition to price*. Quotations will typically be scored by an evaluation team and a method defined in the quote documents. The price of the goods is divided by the total quality points.
  - **Best Value** -- points are assigned using a weighted formula consisting of two components: qualitative criteria, and financial criteria. (price/financial criteria has to be at least 25%)
Supplier Selection (>$2,500/<$100k)

Notes:

• Our specifications need to be written to allow for apples-to-apples comparison of supplier quotes for the same part numbers, description & quantities. When asking for a quote, ask for the manufacturer’s part number, description, features, etc.

• It is against procurement policy and an ethically inappropriate business practice to share one supplier’s pricing with another supplier. If a supplier asks for the pricing you have, please tell them you are not allowed to share a supplier’s pricing. They should respect that.
Supplier Selection ($>2,500/$<100k)

**Negotiating Tips:**

- **Try to negotiate a larger, deeper discount**
  - Ask suppliers about a Government or higher education discount. (Sometimes, but not always the Government discount will improve the quoted price.) After attempting to negotiate, ask the supplier to submit their Best and Final pricing in a revised quote.

- **Discounts through non-UC negotiated agreements**
  - We are able to get price discounts due to affiliations with other organizations, including the National Joint Powers Alliance (NJPA); National Intergovernmental Purchasing Alliance, called National IPA, or NIPA, a cooperative purchasing group for Public Schools, as well as U.S. Communities Alliance.

  - U.S. Communities is a national cooperative purchasing program, providing government procurement resources and the best overall government pricing through a cooperative contract.

  - Ask for these discounts through the alliances and cooperative purchasing groups.
Supplier Selection

**UC Terms and Conditions**

UC Terms and Conditions will govern the purchase order

Payment Terms:

- UC Preferred: Net 30
- If supplier requests something other than the preferred terms, you must get procurement involved to assist with negotiating the appropriate payment terms
- If a supplier requests payment prior to delivery, or a deposit, please contact procurement for assistance
Price Reasonableness

• Competitive bidding is not required for purchases in this value range, however the price must be determined to be reasonable

  o Methods to determine Price Reasonableness:
    ▪ Competition
    ▪ Prices set by applicable law or regulation
    ▪ Price analysis
  o Preferred method: Competition

  o If the product is not competitively selected, it is considered a single or sole source purchase and requires documentation to accompany the requisition. This documentation shall include a completed Justification and Approval (J&A) Form (see Appendix)

    ▪ The J&A Form must justify the reason for the sole source decision; and
    ▪ Include support for a price reasonableness determination
Supplier Selection (>\$2,500 / <$100k)

**Unauthorized Purchases**

- Suppliers **must** receive a purchase order/DAPO prior to starting performance

- If a product is ordered without a purchase order, it is considered an “Unauthorized purchase”. An Unauthorized purchase form will be completed, signed, and attached to the order if created by campus procurement. (See attached in Appendix)
# Bidding Guidelines

<table>
<thead>
<tr>
<th>Category</th>
<th>$0 - $2,500.00</th>
<th>$2,500.01 - $49,999.00</th>
<th>$50,000 - $99,999.99</th>
<th>≥ $100,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods</td>
<td>Informal Quote</td>
<td>One (1) Formal Quote required</td>
<td>Two (2) Formal Quotes required</td>
<td>RFP or Formal Bid May Leverage GPO (If Competitive Bid)</td>
</tr>
<tr>
<td>Services</td>
<td>Buyer verifies price if necessary</td>
<td>If department does not provide quote, Buyer will obtain</td>
<td>RFP Recommended, may be appropriate depending on complexity and opportunity</td>
<td>Award will be made by the following: - Lowest Cost - Cost per Quality Point - Best Value</td>
</tr>
<tr>
<td>Capital Equipment</td>
<td>Buyer determines price reasonableness</td>
<td>Buyer determines price reasonableness</td>
<td>Buyer determines price reasonableness</td>
<td>Buyer determines price reasonableness</td>
</tr>
<tr>
<td>Consultants</td>
<td>2+ Formal Quotes required</td>
<td>3+ Formal Quotes required</td>
<td>3+ Formal Quotes required</td>
<td>3+ Formal Quotes required</td>
</tr>
</tbody>
</table>

*Note: To expedite, department should provide quote(s). Increased processing time is required if Buyer obtains quote(s).*

## Definitions:

- **Formal quote**: A proposal with price/delivery/terms provided on company letterhead or company stationary. Typically, formal quotes will include a quote number, payment terms, delivery terms, expiration date of quote, terms and conditions, etc.

- **Informal quote**: A proposal with pricing/terms provided verbally (e.g., phone) or in writing (including eMail).

- **GPO / Purchasing Cooperative**: An entity that is created to leverage the purchasing power of a group of businesses to obtain discounts from vendors (usually competed) based on the collective buying power of the GPO members, i.e., E&R; US Communities, NASPO and others.

### Factors Determining Price Reasonableness:

- **Price comparison**: A buyer has obtained and documented quotes or offers within the last 12 month period from other responsible suppliers, which provides evidence that a price obtained is deemed fair and reasonable.

- **Catalog or market pricing**: The price offered is supported by an established and verifiable catalog or market pricing media issued by a responsible supplier and/or through an established reputable forum. In addition, the pricing structure provided is one that a prudent buyer would accept as a reasonable representation of existing market value.

- **Controlled pricing**: The price offered is set by law or regulation; competitively bid master, statewide contracts and Purchasing Cooperatives etc.

- **Historical pricing**: A buyer is able to demonstrate that other transactions occurring in the past (within a 12 month period) exist that shows that historical prices for similar acquisitions have yielded no material change in cost.

**Note**: The definition of “material” for this technique is deemed greater than a 15% increased difference between current and historical pricing.

Dated: March 5, 2018
**Business Information Form**

**UNIVERSITY OF CALIFORNIA, RIVERSIDE**
**SUPPLIER BUSINESS INFORMATION FORM**

SUPPLIER OF GOODS OR SERVICES ONLY To be completed by ALL FIRMS OR INDIVIDUALS PROPOSING TO DO BUSINESS WITH THE UNIVERSITY OF CALIFORNIA, RIVERSIDE (regardless of commodity, service, or product offered).

<table>
<thead>
<tr>
<th>COMPANY NAME:</th>
<th>CONTACT PERSON (Indicate Ms., Mr., etc.):</th>
</tr>
</thead>
<tbody>
<tr>
<td>STREET ADDRESS:</td>
<td></td>
</tr>
<tr>
<td>MAILING ADDRESS (If different from street address):</td>
<td></td>
</tr>
<tr>
<td>TELEPHONE NO.:</td>
<td>TOLL FREE NO.:</td>
</tr>
<tr>
<td>E-MAIL:</td>
<td>HOME PAGE ADDRESS:</td>
</tr>
</tbody>
</table>

Are any of the owners or owners' relatives currently employed by the University of California? 
**YES** NO
If yes, please provide details on an attached sheet of paper.

<table>
<thead>
<tr>
<th>FEDERAL IDENTIFICATION NO OR SOCIAL SECURITY NUMBER:</th>
<th>DUN &amp; BRADSTREET NUMBER:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>PRIMARY TYPE OF BUSINESS:</th>
<th>BROKER</th>
<th>DEALER</th>
<th>DISTRIBUTOR</th>
<th>MANUFACTURER</th>
<th>AGENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>FABRICATOR</td>
<td>RETAIL</td>
<td>SERVICE</td>
<td>MANUFACTURERS</td>
<td>WHOLESALE</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PRINCIPAL OWNERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
</tr>
<tr>
<td>-------</td>
</tr>
</tbody>
</table>
| | | [M or F] | | |%
| | | | | %

THIS IS A PARENT COMPANY: (Name of subsidiaries) THIS IS A SUBSIDIARY: (Name and location of parent company)

<table>
<thead>
<tr>
<th>NUMBER OF YEARS IN BUSINESS</th>
<th>AVERAGE ANNUAL SALES (PRIOR 3 YEARS)</th>
<th>NET WORTH OF BUSINESS</th>
<th>NORMAL INVENTORY VALUE</th>
<th>APPROXIMATE SIZE OF FACILITIES (sq ft.)</th>
<th>NUMBER OF EMPLOYEES</th>
</tr>
</thead>
</table>

DESCRIPTION OF PRODUCTS & SERVICES: (please include NAICS code if available)

<table>
<thead>
<tr>
<th>BANK REFERENCE NAME:</th>
<th>ADDRESS: (Number, City, State, Zip)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>CUSTOMER REFERENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
</tr>
</tbody>
</table>

PERSON(S) AUTHORIZED TO COMMIT YOUR FIRM TO A CONTRACT:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>INSURANCE: Is your Company Insured?</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPE OF INSURANCE:</td>
<td>General Liability</td>
<td>Automobile Liability</td>
</tr>
<tr>
<td>Name of Insurance Provider/Producer</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>COMPANIES AFFORDING COVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OWNERSHIP OF BUSINESS:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Check One)</td>
</tr>
</tbody>
</table>

INSURANCE REQUIREMENTS:
The University selects insurance requirements based on degree of risk, rather than the dollar value of the contract. All insurance policies required shall be subject to review and approval by the University.

http://procurement.ucr.edu/procurement/forms.html
Supplier Selection

New Supplier Setup

Aver Smith
New Supplier Setup

✓ All new supplier requests and current supplier changes should be initiated through eBuy, ePay, or iTravel

✓ Examples of typical supplier data changes are:
  • Adding a new address
  • Name change
  • Correcting an existing address

✓ With certain exceptions, an IRS Form is required to establish a new supplier:
  • W-9: Request for Tax Payer Identification Number and Certification
  • W-8 series Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting

✓ A W-9 or W-8 is also required for name changes and certain address changes
  • The requesting department is responsible for obtaining the required forms
New Supplier Setup

✓ All tax forms must be faxed to the Accounting Office at:
  Fax:  (951) 827-3314
  • Forms W-9, W-8, 587 & 590 may contain personal information
  • Please do not email any tax forms

✓ Accounting will respond to supplier add/modification requests within 2 business days of receipt in the Accounting queue.

✓ Add/modification requests will be denied if the tax form has not been received in Accounting within 2 business days of the request.

✓ Inquiries should be emailed to:
  • Sophia Jamshidi
  • Escalations to Aver Smith
Procure-to-Pay

1. Identification of Need
2. Specification Development
3. Supplier Selection
4. **Purchase Order**
5. Delivery & Receiving
6. Payment

**Presenter:** Ana Cotton
Purchase Orders

PR’s, DAPO’s, & PO’s have the same basic content: Header & FAU Information, followed by the following tabs:

- General
- Comments
- Deliver To
- Terms
- Selection
- Misc
- PO Vendor
- Attachments
- Approvals
In this section, we list the general information of the order

- The end user name, as in the campus directory, and their phone number
- Purchase Description (helps identify PO)
- Includes fields for: quote #; date needed; and expected delivery date
- Order type. If a DAPO, must select the applicable eBuy agreement. If over LVPA limit, must select ‘Requisition’ to forward to Procurement
- Default FAU is entered (this field is in percentages)
- Supplier name

Tip! If a supplier has multiple entries under their business name, please select the proper entry that corresponds best to your PO
Purchase Orders

General Section

This section lists individual items to be purchased

- Each item must have a quantity, unit of measure, description, catalog number, unit price and taxability
- The item description should mirror the supplier quote and not be abbreviated or changed (as described in the specification development section)

**TIP!** On the line item level, you can specify a specific dollar amount to charge to an FAU, not a percentage
purchase orders

comments section

This section is used to add any special notes about the order

- It may be a supplier note or an internal instruction
- If you are submitting a requisition to Procurement for action, you can enter instructions, special requests, etc.

Tip! Use this section whenever possible to clarify or explain the purchase. Any comments are read and often found to be helpful.
Purchase Orders

**Deliver To Section**

• All goods should be delivered to UCR Central Receiving:

  3401 Watkins Drive  
  Riverside, CA 92521

Exceptions:

• Controlled Substances
• Radioactive Chemicals

• Always include a building & room number. A contact name and phone number will help as well
Terms Section

This section lists terms and conditions for the purchase and references any appendices incorporated into the order.

Required PO terms include:

• **Shipping:**
  - FOB (Free-On-Board):
    - Seller pays for transportation of the goods to the port of shipment, plus loading costs.
    - Seller assumes risk of loss to the stated destination.
    - FOB Destination (important to state destination location). If the contract leaves out the delivery place, it is the seller’s place of business.
Purchase Orders

**Selection Section**
This section specifies the reason for your supplier selection and the pricing received

- A box needs to be selected under each column, please choose the most applicable one.
- There is also a bottom section for notes.

**Tip!** Use this area for a quick narrative on the order, especially if it is complicated. Adding these notes are lifesavers!
Purchase Orders

Miscellaneous Section

This section includes any additional information that aids in detailing the order

For example:

- Referencing a previous PO Number: Helpful in tying PO’s together, or renewing ones
- Fabrication Number: This ties PO’s to a special fabrication so that costs are kept together for the PI
- The remaining fields are used by Procurement
**PO Vendor Section**

This section will be populated with the supplier information (same as PO header information)

- Please include the supplier representative contact name, phone number and email address in this section

**Tip!** Please pay special attention when entering the supplier on your PO, sometimes there are multiple listings for a supplier, as one part of the company is separate from another, if you choose the wrong one, a change order will be necessary to correct it.

<table>
<thead>
<tr>
<th>Vendor ID</th>
<th>Vendor Name</th>
<th>Type</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>0000072152</td>
<td>ELLUCIAN COMPANY L.P. - 4 COUNTRY VIEW RD, MALVERN</td>
<td>X2</td>
<td>New Address</td>
</tr>
<tr>
<td>0000072152</td>
<td>ELLUCIAN COMPANY L.P. - 62578 COLLECTIONS CENTER DRIVE, CHICAGO</td>
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</tr>
<tr>
<td>0000072152</td>
<td>ELLUCIAN COMPANY L.P. - BANK OF AMERICA LOCKBOX SERVICES, CHICAGO</td>
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<td>New Address</td>
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<tr>
<td>0000072151</td>
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<td>New Address</td>
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<tr>
<td>0000072151</td>
<td>ELLUCIAN SUPPORT INC - 4 COUNTRY VIEW RD, MALVERN</td>
<td>X2</td>
<td>New Address</td>
</tr>
</tbody>
</table>
Purchase Orders

Attachments Section

Attach supplier quotes in this section. (See bidding guidelines sheet for required number.)

You should also attach any other pertinent documents (emails, brochures, etc.)

Note: Any and all written quotations must accompany the requisitions.

Tip! All documentation pertaining to the order should be added here. This helps with questions or PO audit requests.
Purchase Orders

**Approvals Section**

This section allows you to checkout the order when a DAPO needs approval (from within the department or Procurement)

When checking it out to Procurement, enter the User (Net ID) of the appropriate (Procurement) Buyer and in the Approval Type section, choose:

**Read-Write, Approval Required**

This section also has a comments section and is used frequently to explain why a DAPO 1-time purchase limit needs to be raised.
Procure-to-Pay

1. Identification of Need
2. Specification Development
3. Supplier Selection
4. Purchase Order
5. Delivery & Receiving
6. Payment

Presenter: Henry Gutierrez
Delivery & Receiving

• Delivery is where the supplier moves the item from their dock and into the hands of the carrier.

• Shipping terms dictate where title passes on the item.

• “Acceptance” and recording receipt of delivered goods in eBuy should occur as soon as possible after delivery of goods. (UC Terms (article 4)) does not provide a prescribed time limit but it is recommended that inspection and acceptance occur within 1 to 10 days for most purchases

• What happens if we don’t notify a seller of a defect in the product within a reasonable acceptance period?
  • Then the supplier assumes the material have been accepted

TIP! Shipping terms are usually pre-negotiated and come with no restocking or return shipping fees on UC agreements
Delivery & Receiving

Shipment Received with Missing Items

1. If delivered to department by Campus Receiving:
   a. Contact Receiving for initial assistance
   b. Contact the Supplier. If difficulties are encountered, contact the Buyer for assistance

2. If delivered directly to department by a Carrier (not by Campus Receiving):
   a. Departments are responsible for confirming the number of packages received is the same as reflected on the Carrier’s Bill of Lading. The Carrier has no legal responsibility if the University accepted or “signed for” the wrong number of packages
   b. If there are no missing packages, contact the Supplier for assistance. If difficulties, contact the Buyer
Delivery & Receiving

Shipment Received with Damaged Items

1. If delivered to your department by Campus Receiving –
   a. Contact Receiving. Retain ALL SHIPPING MATERIALS for the freight inspection. Freight inspections must be requested within 10 days
   b. Contact the Supplier and advise them of the damage and the steps taken with the Carrier.
   c. Contact the Buyer if additional assistance is required.

2. If delivered directly to department by a Carrier (not by Campus Receiving)
   a. Departments are responsible for inspecting packages received from a Carrier. Any visible damage should be noted on the Carrier’s Bill of Lading prior to signing as received.

   b. If actual damage is discovered, contact the Carrier and request a freight inspection. Retain ALL SHIPPING MATERIALS until the freight inspection has been conducted.

   c. Contact the Supplier and advise them of the damage and the steps taken with the Carrier
   d. Contact Receiving for advice, if needed
   e. Contact the Buyer if additional assistance is required
Delivery & Receiving

Receipt of Products Differing from Those Ordered
   a. Contact the vendor
   b. Contact the Buyer, if additional assistance is required

Return of Products
1. Wrong Item Shipped
   a. Contact the vendor
   b. Contact the Buyer, if additional assistance is required
2. Wrong Item Ordered or Item Not Wanted –
   a. Contact the supplier
   b. Contact the Buyer to assist in making arrangements to return the item and order the correct item, if applicable
3. Overage received (more received than ordered) and not wanted –
   a. Contact the vendor and advise them of the over-shipment and ask that they arrange for pick-up (at their cost)
   b. In the event the end user wishes to retain any overages, contact the Buyer to adjust the purchase quantity to permit payment for the extra item(s)
Procure-to-Pay

1. Identification of Need
2. Specification Development
3. Supplier Selection
4. Purchase Order
5. Delivery & Receiving

Payment

Presenter: Aver Smith
Invoice Payment

Supplier

- Submits Invoice (via email/USPS)
  - Yes

Accounts Payable

- Review Invoice
- Missing Information
  - No
  - Missing Information
  - Yes
- Department Approval Required ($15k)
  - No
  - No
- PO/Invoice Discrepancy?
  - Yes
  - No
  - No
- Voucher Invoice
  - Payment file sent for check release

Customer/Department

- Approves Payment
  - Yes
  - Yes
  - Yes
  - Yes
- Request Revised Invoice
  - No
  - Process PO Change Order
    - Yes
    - Yes

Procurement

- Before the invoice can be entered
  a. Insufficient funds on the PO
  b. Wrong Vendor
  c. PO lines do not match invoice
  d. Item not on PO

- After the invoice has been entered
  a. Extended Price Tolerance
  b. $300 match Rule
  c. PO not received
The Importance of Standard Processes

• In a distributed PO environment, it is important to follow standard processes to:
  • Ensure goods and services are promptly received and vendor paid per agreement terms
  • Ensure good procurement and financial management internal controls are in place
  • Minimize re-work and duplication of effort
  • Minimize credit holds
The Importance of Standard Processes

• Vendor must be provided with a copy of the purchase order
  • PO number can be provided in advance, but a copy must be provided as it contains the terms and conditions of the procurement action
  • Invoices received without a purchase order number referenced will be returned to the vendor
  • Order should be promptly encumbered, so the order is reflected on the general ledger and available for vouchering

• Order should be promptly encumbered, so the order is reflected on the general ledger and available for vouchering

• Ensure correct vendor number is utilized
• Ensure correct FAU is utilized

• As items are received, the items should be promptly inspected and marked as received (or returned)
  • Best practice is to scan and attach packing slip in eBuy for audit history
The Importance of Standard Processes

• Vendor invoices must be sent directly to the Accounting Office
  • Allows for prompt payment discounts to be applied
  • Allows for payment terms to be met
  • Instructions on where to send invoices is provided to vendor on the purchase order
  • Departments can request a copy of the invoice from the vendor, but original must be sent to the Accounting Office
  • Invoices sent directly to the department are:
    • Contributing to delays in payments and credit hold situations
    • Negatively impacting the University’s ability to do business
All invoices should be sent directly to the Accounting department by the vendor.

- Invoices sent via regular mail:
  University of California, Riverside
  Accounting Office –02
  Riverside, CA 92521
- Invoices can be e-mailed to: apinvoice@ucr.edu
  - Email address is for receipt of invoices only
  - One invoice per e-mail (to assist with automation efforts)
- Inquiries should be directed to AP operator:
  - A-D, O-P: Cathy Newland
  - E-N: Rosmery Martinez
  - Q-Z: Philisa Morino-Dent (Temp)
  - Subcontracts: Dorthea Ford
- Unresolved issues should be escalated to Aver.Smith@ucr.edu

Please note attaching invoices to PO’s in eBuy does not generate a request for payment to Accounting.
Wrap-up

**Procure-to-Pay**

1. Identification of Need
2. Specification Development
3. Supplier Selection
4. Purchase Order
5. Delivery & Receiving
6. Payment

**UCR P2P Goals**
Maximize operating efficiency through continuous improvement
Questions ??

Thanks for Attending!
APPENDIX
New Supplier Setup

Turnaround time for new supplier set-up:

<table>
<thead>
<tr>
<th>Customer</th>
<th>~1-3 days</th>
<th>~1 day</th>
<th>~1 day</th>
<th>~1-3 days**</th>
</tr>
</thead>
</table>

Customer

- Request to purchase*
  - Supplier in House?
    - Yes: Send supplier Set-up forms (W-9, etc.)
    - No: Submit purchase requisition to purchasing

Supplier

- Completes forms/ submits to Customer
  - Reviews for completeness/ set up New Vendor
    - Notify customer Set-up is complete

Vendor Maintenance (Accounting)

- Receives Purchase Requisition for processing *
  - Start PO Creation

Campus Procurement

- Receives Purchase Requisition for processing *
  - Start PO Creation

*Review for completeness/ set up New Vendor

**Turnaround time for new supplier set-up:
Purchase Order Creation ( <$100k) Appendix

Requestor
- Receives PR Package
- Submits PR and supporting documents
  - No

Department Transactor
- Receives PR Package
- PR Package Complete?
  - Yes
  - Purchase Value > $2,500?
    - Yes
    - Issues DAPO*
    - No
    - Turnaround time for PO generation: ~1-10 days
  - No
  - Issues PO*

Campus Procurement
- Receives Purchase Requisition Package
  - PR Package Complete?
  - Yes
  - Issues PO*
  - No

Supplier
- Accepts PO

Note: *Competitive bidding & supplier selection process must be followed prior to issuance of a PO. (See BUS 43, Materials Management)
Appendix

Justification & Approval Form

UCR requires for any purchase > $50,000

<table>
<thead>
<tr>
<th>Justification Department</th>
<th>Requisition #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Justification Prepared By</td>
<td>Date</td>
</tr>
<tr>
<td>Desired Supplier</td>
<td>Dollar Amount</td>
</tr>
</tbody>
</table>

I. SOURCE SELECTION – REQUIRED - CHECK the applicable box

- UC AGREEMENT/BID #
  - SOLE SOURCE [Complete Sections II, III & VI below]
  - PROFESSIONAL OR PERSONAL SERVICES [Complete Sections II, IV & VI below]
  - UNUSUAL AND COMPELLING URGENCY [Complete Sections II, V & VI below]

II. PRICE REASONABILITY – REQUIRED

Please describe how you determined this is a fair and reasonable price?

(Helpful ideas for your narrative: Do you have any comparison of the offered price to historical prices paid the same or similar items? Are the prices set by law? Did you perform market research or verify the pricing on a published price list/catalog?)

COST/PRICE ANALYSIS

IF APPLICABLE, PLEASE OBTAIN A MINIMUM OF THREE (3) COMPARISONS FOR SIMILAR SERVICES. ATTACH COPIES OF THE COMPARISONS AND COMPLETE THE FOLLOWING:

<table>
<thead>
<tr>
<th>SUPPLIER A:</th>
<th>PRICE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUPPLIER B:</td>
<td>PRICE:</td>
</tr>
<tr>
<td>SUPPLIER C:</td>
<td>PRICE:</td>
</tr>
</tbody>
</table>

COMPARISON DISCOUNTS

HAS THE SUPPLIER APPLIED ANY EDUCATIONAL, STATE, OR OTHER DISCOUNTS? YES **O** NO **O**

***IF YES, WHAT IS THE TOTAL DOLLAR SAVINGS OR PERCENTAGE OF SAVINGS? _______
Appendix

Unauthorized Purchase Approval Form

UNAUTHORIZED PURCHASE DECLARATION FORM

Instructions for use: If a department accepts responsibility for payment of incurred charges from an unauthorized purchase, the department must submit this form along with a purchase requisition to Procurement Services in order to initiate payment.

Unauthorized purchases are purchase transactions that are either entered into by an individual that is not authorized to contract on behalf of the University, or entered into by an individual normally authorized to contract, but who uses an unauthorized procurement method, or exceeds their delegated authority. (See Campus Policy 730-63)

Part I. UCR Department
Department or Unit Name:
Requisition Number or Control Number (if known):

Part II. Supplier Information
Vendor:
Unauthorized Item or Service:

Part III. Statement explaining the circumstances surrounding why Procurement Services was not contacted prior to obtaining this product or service and the steps taken to prevent reoccurrence:

Part IV. Certification (person responsible for unauthorized transaction)
I certify that the statement above is true and accurate. In addition, I have read and agree to comply with Campus Policy 730-63 regarding future transactions.

Name:
Title:
Signature: ___________________________ Date: ________________

Part V. Department Approval (Financial Officer)
I approve payment of the incurred charges resulting from the unauthorized purchase described above.

Name:
Title:
Signature: ___________________________ Date: ________________

ucr_unauthorized_purchase_form_v1.4
Effective: 12/09/2014
Supersedes: ucr_unauthorized_purchase_form_v1.3