UCM Procurement Newsletter

August 20, 2024

Greetings,

The summer is flying by and the students are already back on campus. The Procurement Office has been very busy with new contracts and working hard to stay ahead of renewals.

The purpose of this newsletter is to provide updates and information on Procurement related subjects which you all encounter on a regular basis. Subject matter includes Purchasing, UCMarket, Banner, Ionwave, Bidding, Contracting, BPC and other areas which touch the procurement process at UCM. If you have subjects you would like covered in future newsletters, please contact Bob Walla or Jessica Dady with your request.

1. **VENDOR DOCUMENT REQUESTS:** When your office is issuing a requisition for a service such as software, please ask the Vendor for ALL documents and attach them to the requisition. This would include, but not be limited to, EULA, Terms and Conditions, Order Form, Contract Document, etc. Requesting additional terms or other documents after a requisition has been issued will result in a delay in completion of the process. If there are no changes on a renewal from the previous year, and a contract is still active, you may attach an email from the Vendor stating there are no changes to the terms of the contract.
(If no attachments are submitted the req will be returned)

2. **SOFTWARE PROCESSING:**
All software contracts and renewals are to be processed by Procurement. This ensures that all contracts have updated terms, are vetted by the Legal review process, and are entered in TCM and Ionwave for access. Allowing Procurement to process these contracts and renewals expedites the process. If you have any questions regarding the process for software contracts or renewals, please contact Jessica, Amber or Trey in Procurement.

3.A. **Payment Requests:**
There have been a number of inquiries lately about Payment Requests. A payment request should only be used for Artists, Guest Speakers, Honorariums, Entertainers, and Utilities (electric and gas).
A requisition in UCMarket should be issued for the purchase of all supplies, equipment, and other types of goods or services, regardless of the funding source. A requisition is entered to encumber departmental funds and to create a purchase order (PO). A PO is sent to the vendor requesting the goods and/or services at the specified quantity, price, and delivery terms. If you have previously placed orders for products or services not referenced above without a req and PO, and paid by Payment Request, please discontinue this practice.

Issuing a requisition for each expense has the following advantages:
1) The funds are encumbered when the REQ is created. This should help departments stay within their budget.
2) The REQ allows for the proper routing of approval steps. Payment Requests do not (unless processed electronically).
3) More accurate spending reports in UCMarket
4) AP can enter invoices quicker when a PO is in the system and the FOAPAL number is already entered.

You may also want to consider using the BPCard for transactions under $1000 where there are no terms and conditions for review such as newspapers, periodicals, magazines and some renewals. If you have any questions regarding payment for products or services, contact us and we will direct you to the proper individuals who can assist.

3.B. Sodexo Payments:

One of the areas where Payment Requests have been used on a regular basis is with the Sodexo account. The procedure for making Sodexo payments is to utilize a non-catalog order in UCMarket for each expenditure.

Departments shall enter these REQ's as "Confirmation Only". Following approval of the req in UCMarket, A PO will be issued and the only copy will be sent to the department.

4. **Confirmation Only Requisition Restrictions:**

There has been a number of "Confirmation Only" orders in recent months. These types of requisitions should only be used in very specific instances (like Sodexo). The proper process for ordering products or services from non-punchout orders is to get a quote, issue a req, attach the quote to the req, and submit. Procurement will issue a PO once the req is approved.

This process ensures that the Vendor is providing the correct product, we receive the correct product, and any other terms and conditions will be included as necessary. There may be other instances where "Confirmation Only" is a viable option. Please contact Procurement with questions.

If a Confirmation Only order is necessary, please put "Confirmation Only" in the Internal AND External Notes so it appears on the Purchase Order.

5. **Contract Searches:**

Prior to requesting quotes for new products or services, please make sure to check the Ionwave Contract Management page at this site: https://ucmo.ionwave.net/ActiveContractList.aspx.

There are currently 261 contracts listed on this site with more added each week. If a contract already exists for the same or a similar product, please contact Procurement about getting an amendment to the existing contract rather than starting all over.

6. **CONSTRUCTION PROJECTS:** All construction projects must be sent to FPO in order for them to enter the requisition or give instructions. This allows FPO to keep track of the project and list it as a CIP project if applicable. All FFE (Furniture, Fixtures, and Equipment) which will be installed in an FPO construction project will also be entered as a requisition by FPO. The purchasing of the FFE will be done by Procurement according to UCM Procurement requirements.

7. **FIXED ASSETS**: All equipment purchases over $5000.00 must be entered with the proper FOAPAL in order for it to be approved and recorded as a fixed asset. This dollar amount is based on all pieces of equipment necessary to operate a system, or a single piece of equipment. Example – An AV system which utilizes a $3000 monitor, a $500 sound system, and a $1500 control system would be considered a fixed asset and coded as such as all pieces function together as one.

   Please do not code a product as Fixed Asset if it is under $5000.00.

8. **BPC Software Approval Update**: An updated BPC Software Approval process is attached. This version has updated account codes.

9. **UCMarket and Banner Access:**

This is a reminder that a Banner Form must be submitted to the Accounting Services email (accountingservices@ucmo.edu) (not Lisa Miller directly) to request new users be added to Banner/UCMarket. The Banner Form is located on the Accounting Service webpage.

10. **OFFICE SUPPLY ORDERS:** Based on current policy, office supplies are to be ordered from Office Depot (ODP) and Staples. Office supplies should not be ordered from Amazon. All deliveries for office supplies and other commodities, MUST be delivered to central receiving unless previous permission has been given for direct delivery by Procurement. This is a campus security issue. The Procurement office will be doing a price comparison of the office supply companies and Amazon in the coming months to determine which is the best value.

11. **Commodity Codes:** Many requisitions that are coming through the approval process do not have commodity codes, or the miscellaneous code is entered as a default. Not having a code or defaulting to miscellaneous can cause errors in the overall approval process. To eliminate this issue, requisitions can no longer be submitted without the relevant commodity code. If you are unsure of which code to use, you can enter keywords in the description box to find a relevant code. If you have a problem locating the correct code, please contact Procurement for assistance.

Process for Software Purchases and Renewals using Business Procurement Card (BPC)

The process for the purchase of new software and renewals is being modified from the current process on the Procurement Website in cases where a check, ACH or wire payment cannot be made. Departments no longer need to come to Procurement for use of the Procurement credit card on these transactions. An individual in the department shall use their BPCard.

Departments shall utilize their BPC for these purchases in cases where the vendor will not accept a check, ACH, or wire payment. When all approvals have been completed, the BPC limit of $1,000.00 can be waived for these purchases.

All software renewals and purchases must be processed in UCMarket regardless of the payment method.

NOTE: All departments must follow UCM Procurement requirements for purchase of new software. This includes issuance of bids or RFPs for new software if the total cost including software and support/maintenance is over $25,000.00. Do not get demos or quotes for software in advance of performing an RFP for new software. This causes problems with the RFP. An RFP allows for all vendors to equally present their written information and a demo of their product.

1. Requisition Issuance Process:
   a. Request a quote from vendor for product/service and EULA/SLA.
   b. Vendor will be entered as "**BPC Vendor**"
   c. Attach the quote/screenshot which includes cost and any reference to terms in internal notes section.
   d. Attach EULA/SLA if one is provided.
   e. IN THE INTERNAL NOTES SECTION: Include a point of contact for the vendor (name and email address). If signatures are required, include the vendor signature authority (name and email address).
   f. Also, add to internal notes: "CONFIRMATION ONLY PO"
   g. Use account codes: 740180 for Software more than $5,000, 750936 for Software less than $5,000.
      NOTE: DO NOT USE ANY OTHER CODE NUMBERS

2. Requisition will go through the following level approvals:
   a. Level 1 department/grants etc.
   b. Level 2/3/4 depending on amount (unless otherwise approved, the threshold limit for a BPC purchase is $1000)
   c. OT approval - review for requirements of resources, network, etc.
      i. If RENEWAL, it is a quick review.
      ii. If NEW - review by impacted areas with possible questions sent to requisitioner/department
   d. If NEW, legal review to be completed with redlines being approved by vendor and UCM. Procurement will work with vendor and Legal for this review and approval process.
   e. Procurement purchase review
      i. Purchase review INCLUDING legal review

3. PO created – **WILL NOT BE SENT TO VENDOR**

4. The user will receive a confirmation email from Jaggaer once the requisition has been approved. Once receiving the email, they may proceed with the BPC purchase by contacting the Accounts Payable Assistant Manager or Manager.

5. User shall notify the Accounts Payable Assistant Manager or Manager to allow this type of transaction on the user's BPC. This is required as most cards are restricted from making these purchases.

6. Once approval is provided, departmental user makes the purchase on their BPC.

7. Users will process purchase receipts in Chrome River
   a. Include the BPC PO and the quote that was attached in requisition documents.

8. PO will be closed by AP when BPC Chrome River report is completed.

ADDITIONAL INFORMATION

1. If the BPC is being used for new or renewal software, there is no need for a Vendor Information Form and W9 to be submitted by the Vendor.

2. This revised process is being utilized to make the process more efficient. It is very important that it is followed step by step. Failure to follow these steps for the purchase of new or renewal software may result in removal of the card from the person and/or department according to the BPC Manual.

3. All software technology purchases (**including "free" software, and subscriptions**) will utilize this process which will begin with the requisition.

4. Any questions associated with technology for software purchases should be addressed with the Office of Technology.

5. Any questions associated with the use of the BPC for these types of purchases should be addressed with the Accounts Payable Assistant Manager or Manager.

6. Any questions associated with procurement or the issuance of a requisition in UCMarket for these types of purchases should be addressed with the Procurement department.

SOFTWARE STANDARD OPERATING PROCEDURE

The following document outlines the process for entering and approvals of software contracts and renewals.

Effective April 1, 2024

Definition: Software is a set of instructions, data or programs used to operate computers and execute specific tasks. For UCM applications, it is any computer program which is accessed through the UCM network or utilizes employee or student data.

Software normally includes legal documents that must be reviewed and approved by UCM such as: Terms and Conditions, EULA, Subscriptions, Licenses, Databases, etc.

INSTRUCTIONS TO UCM STAFF ON PROCEDURE

<u>START OF PURCHASE AND RENEWAL PROCESS</u>

Department shall issue a notification to Procurement to purchase or renew software via email and/or requisition from the department.

Department shall acquire a quote from the company and MUST attach it to the email and/or requisition. If the quote does not have a contact representative noted, the department must provide one.

Department shall acquire the Terms and Conditions/EULA or any other contract/legal documents associated with the purchase/renewal from the Vendor at same time they get the quote or renewal invoice, and MUST attach it to the email and/or requisition.

When creating requisitions for software, use account codes 740180 for software more than $5,000 and 750936 for software less than $5,000.

A Procurement Specialist may assist in obtaining the terms and conditions for new purchases or renewals if the department needs assistance. (NOTE: It is much easier and quicker to require the terms at the same time the quote is received. (This option may delay the review and approval of the requisition)

RENEWALS - If the terms and conditions have not changed on a renewal from the previous year, and the documents have previously been approved by the UCM Legal department, the department can request an email from the Vendor stating the terms have not changed. Attach the email from the Vendor to the requisition and title accordingly. If proper documentation is not attached, the Procurement Specialist will reach out to the supplier contact or department, if necessary, to obtain the required documentation. (NOTE: This option may delay the review and approval of the requisition)

Once the new terms, or no change confirmation email is received, the information will be added into TCM for Legal review.

If Legal rejects the Vendor Software Documents, a red-line version will be returned to the Vendor by Procurement for revisions.

Procurement will approve requisition once UCM Legal terms have been accepted by both parties.

Once all signatures are received, the requisition will be approved and the PO emailed to the Vendor.

NOTE: IF THE VENDOR WILL NOT AGREE TO THE TERMS PROVIDED BY UCM LEGAL, THE VENDOR CANNOT BE USED AND DEPARTMENT WILL NEED TO LOCATE A NEW COMPANY.

<u>An email is also sent to the requisition originator which reads as follows:</u>

Re: WORKFLOW ROUTING COMPLETED FOR REQUISITION#: 175636107
Cart Name: 2023-08-15 xxxxxx 01
Prepared by: xxxxxx

Dear xxxxxx,

The requisition listed above has completed workflow routing. Purchase Order(s) will be generated from this requisition. You can update and track the status of purchase orders on line by using "Document Search" or by selecting the URL below.

<u>View Requisition</u>
If you have any questions with regard to this requisition, please contact your Support Team.

Support Team Contact Information:
+1 660-543-4001 <u>procurement@ucmo.edu</u>