UC RIVERSIDE
IMPACT23 SUMMIT

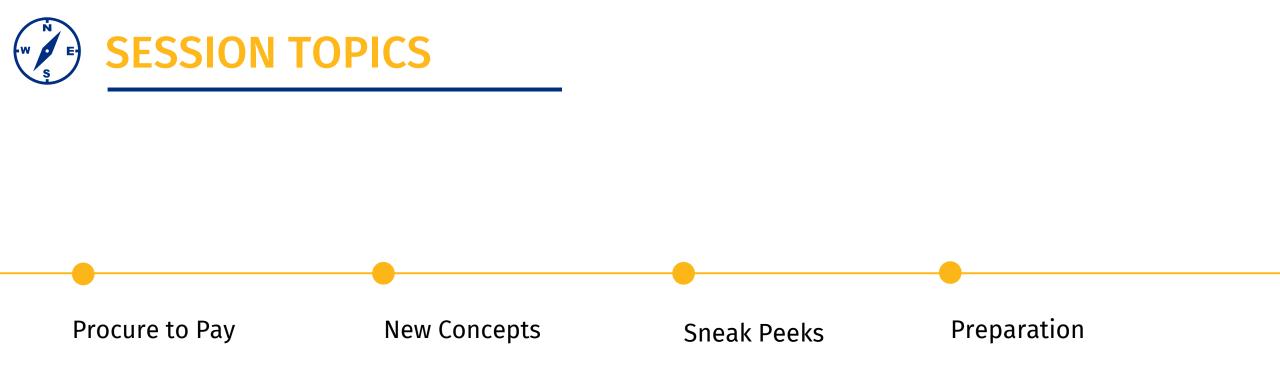# Requisition to Purchase Order

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BEFORE WE GET STARTED

- This session will be recorded.

- The chat has been disabled, please use the Q&A function to submit questions.

- At the end of the session, time permitting, we will have a Q&A session.

- As a reminder, this preview session is not training. You will be introduced to new terms and concepts and see system sneak peeks!

SESSION TOPICS

Procure to Pay   New Concepts   Sneak Peeks   Preparation

Procure to Pay

A Few Reminders

Most people understand shopping online or shopping at a brick-and-mortar store, and those models are not how the majority of the purchasing activity occurs at the University.

The process truly should start well ahead of the actual time things are needed, have conversations with those you support or those who support you about what is needed, when, and why

Did You Know…

- Purchase orders (PO) are contracts between UCR and the supplier for obtaining goods/services

- Accounts Payable processes the supplier invoices to pay for those goods or services
  - *Generally, Accounts Payable will not make payment till the goods and/or services are marked as received by the department*

- Departments should anticipate the time required when purchasing goods/services using a PO.
  - *The PCard threshold was increased to $10K to assist with department purchasing*

Resources

Here are a few resources to help guide your decisions and conversations:

- [Procurement Guidance issued on 2/1/2023](#)

- PCard Program & Payment Matrix Summit Session – live today at noon, then available on demand

- Upcoming Oracle: Buying & Paying Course and Workshop – part of the formal training program

Procure to Pay Steps

The Procure to Pay, often referred to simply as PTP, process has many steps that involve a range of individuals from across the University. Today, we are focused on the early steps of the process.

1 Enter a requisition

2 Pre-configured system required approvals

3 Issue Purchase Order to the Supplier

Procure to Pay Steps

Invoicing steps...

- [ ] Supplier submits invoice directly to AP, through Transcepta or apinvoice@ucr.edu for payment

- [ ] Department marks goods/services as received, so payment to the supplier occurs and is accurate.

- [ ] The AP specialist submits for payment

- [ ] Activity appears on financial reports within the University

- [ ] Supplier receives payment

- [ ] Treasury accounting/central bank reconciliation

- [ ] Activity appears on the financial statements of the University

Key Concepts

Key Concepts

A PCard first mindset

Submitting a requisition should not be your first action, first determine if you can use a PCard for the purchase.

- To assist in this effort the threshold was increased to 10k on 2/1/2023
- The PCard restricted items list remains the same, please keep this in mind and review this list - Restricted Items | Procurement (ucr.edu)
- This best practice was put in place on 2/1/2023

If a Requisition is under $10K with no restrictions, a PO will automatically generate upon the completion of system required and pre-approvals.

Conditions for manual PO creation by Central Procurement

- If a Requisition is over $10K
- If a Requisition is Restricted category
- If the Requisition indicates a partial tax exemption

Key Concepts

Approval Workflows

Post Audit Notification (PAN) ➡️ **Pre-Approval Workflow**

- Oracle Financials **requires a pre-approval workflow process**

- Individuals need to plan ahead and allow for the time needed for requests to move through the pre-configured system rules

- Oracle Financials **leverages Approval Groups**
  - This means that, in most scenarios, multiple individuals will receive a notification with an approval request, once any individual from that approval group reviews and approves the request will move to the next step

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Reduction in Miscoded Transactions

- ✓ System functionality is dependent on all users to entering accurate COA values

- ✓ In the future, cost transfers will be burdensome

Increase Transparency

You can see where your items sit within the approval workflow

In this example, the requisition was for a restricted category, furniture and is currently awaiting approval. You can see the approval status and these views within the requisition.

New.Stage820

System Update

Olivia Lara

Key Concept

Restricted categories are not changing in the future state.
Please ensure you are aware of these policies. You can access the restricted categories list here.

☐ Restricted categories require additional levels of approval. In the future state, these **approvals will be pre-configured in the system**

☐ You should allow time for your requisition to move through these approvals

☐ Accurate entry will ensure a smooth process, if rejected you'll need to make the required edits and resubmit

☐ In the future state, cost transfers are burdensome. We must take the additional time upfront to ensure accurate entry

Forms & Resources | Business & Financial Services (ucr.edu)

Sneak Peeks

Requisition – Unrestricted Goods Under $10k

- First, the Requestor would have investigated the use of a PCard.

- Once determined that the PCard is unable to be used for this purchase, then the requisition can begin

- This is a requisition for:
  - Non-Catalog
  - Unrestricted
  - Good under $10k

Requisition - Unrestricted Goods Under $10k

You can access the Requisition within the Procurement Module

You can also download a PDF

Purchase Order- Unrestricted Goods Under $10k

Once the approval workflow process is complete you can access the PO within the Procurement Module.

You can also download a PDF

Requisition for Sponsored Contract or Grant

When submitting a requisition for a project you will need to have the project number.

- A feature of Oracle is that once you enter the project number, the other required POETAF segments will auto-populate.

- You will also note, that having a complete POETAF chart string auto-populates the COA chart string which will post to the GL at the summary level.

- You are also able to see the status of the requisition as you wait for the required approvals

Be Aware

eBuy

New orders and change orders will be restricted in mid-June until Oracle Financials is available to the campus in early July

- Request PCards now to address procurement needs during the downtime

- Ensure current orders are promptly marked as received so related payments can be processed before data conversion commences

- Resolve outstanding PO and invoicing issues (e.g. PO Correction requests, SAA Escalation, etc.)

- Plan ahead and provide a sufficient lead time for non-agreement requisitions

Take Action

PCard Utilization

- ❑ Empower departments by increasing PCard transaction limits to $10K for all cardholders effective 2/1.
- ❑ Identify PCard program personnel. A minimum of two cardholders are recommended in each unit to assist with purchasing goods and services
- ❑ Utilize PCard on all department unrestricted purchases under $500
- ❑ Utilize PCard on other unrestricted purchases between $500-$5,000 whenever possible

Purchase Order Standards

- ❑ Utilize UC Supplier Agreements when possible. Pre-negotiated agreements will expedite orders.
- ❑ Limit DAPO and purchase order change order requests between now and July 1, unless requested by Accounts Payable. Older orders with multiple change orders present conversion challenges
- ❑ Do not add negative lines to any DAPO or PO for any reason
- ❑ Do not process FAU change orders (this will interfere with automatic conversion); use the applicable cost transfer application as needed

Significant efforts will be made to limit the impact of the cutover process on procurement operations. Procurement Cards (PCards) will remain active throughout the cutover.