PROCUREMENT & PAYMENT SERVICES
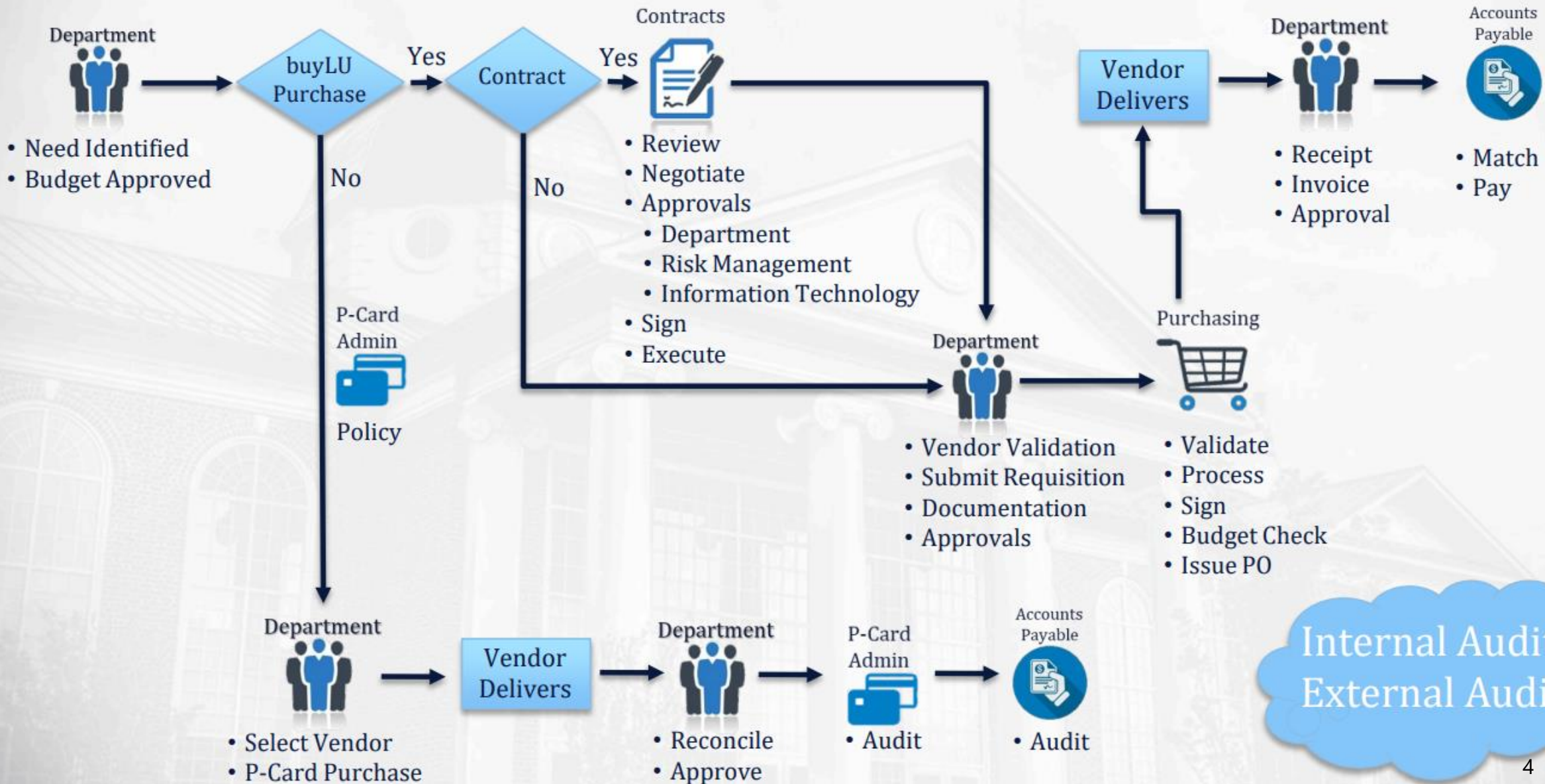
2023 Training

April 19, 2023

LU

AGENDA

1. Purchasing
2. Enterprise Sourcing
3. Contracts
4. Payments
5. P-Card
6. Travel

INTRODUCTION

Procurement & Payment Services is the central hub to meet university purchasing, contract management, payment, and travel needs. With a focus on customer engagement, we aim to create value through professional service, transparency, and university buying power. We uphold the highest standards of ethics and integrity and are committed to mission accomplishment for Liberty University!

Procure-to-Pay (P2P) Walk Through

Department
- Need Identified
- Budget Approved

buyLU Purchase

Yes → **Contract**

No

P-Card Admin

Policy

Yes → **Contracts**
- Review
- Negotiate
- Approvals
  - Department
  - Risk Management
  - Information Technology
- Sign
- Execute

No

Department
- Vendor Validation
- Submit Requisition
- Documentation
- Approvals

Purchasing
- Validate
- Process
- Sign
- Budget Check
- Issue PO

Vendor Delivers

Department
- Receipt
- Invoice
- Approval

Accounts Payable
- Match
- Pay

Department
- Select Vendor
- P-Card Purchase

Vendor Delivers

Department
- Reconcile
- Approve

P-Card Admin
- Audit

Accounts Payable
- Audit

Internal Audit
External Audit

4

Procurement Planning Timeline

Supplier
Typical processing time: 1-3 business days

| Supplier Request Submitted | Supplier Registration | Review/Approvals | Supplier Activated |

Contracts
Typical processing time: 30+ business days

| Contract Request Submitted | Contract Terms Reviewed & Negotiated | Contract Approvals & Signature | Contract Executed |

Purchasing
Typical processing time: 1-3 business days

| Requisition Submitted | Approvals | Requisition Processed | Purchase Order Distributed |

Invoicing
Typical processing time: 1-3 business days

| Invoice Created | Approvals | PO, Receipt, and Invoice Matched | Payment Distributed |

Topic 1: Purchasing Services

- Understanding the Purchasing Process
- Purchasing Methods
- Thresholds

Understanding the Purchasing Process

- The Purchasing Team strives to provide excellent customer service while assisting the University community with the Procurement of all goods and services.

- The method used to procure goods and services is dependent upon several factors, including, but not limited to:
  - total dollar amount of the purchase
  - availability or practicability of competition

- Below are the definitions of the purchasing methods and detailed information regarding procedures and required documentation for each method.

Purchasing Methods

P-Card

Catalog

Non-Catalog

Sole Source

P-Card

- Under $2,500
- Within P-Card policy
- No contracted services
- Purchased through secure websites

Catalog

- Contracted pricing
- Streamlines ordering process
- Available on buyLU Shopping Dashboard
- Categorized by commodity

Non-Catalog Requisition

- Quote/Contract for goods & services
- Active supplier in buyLU
- Supporting documentation is required
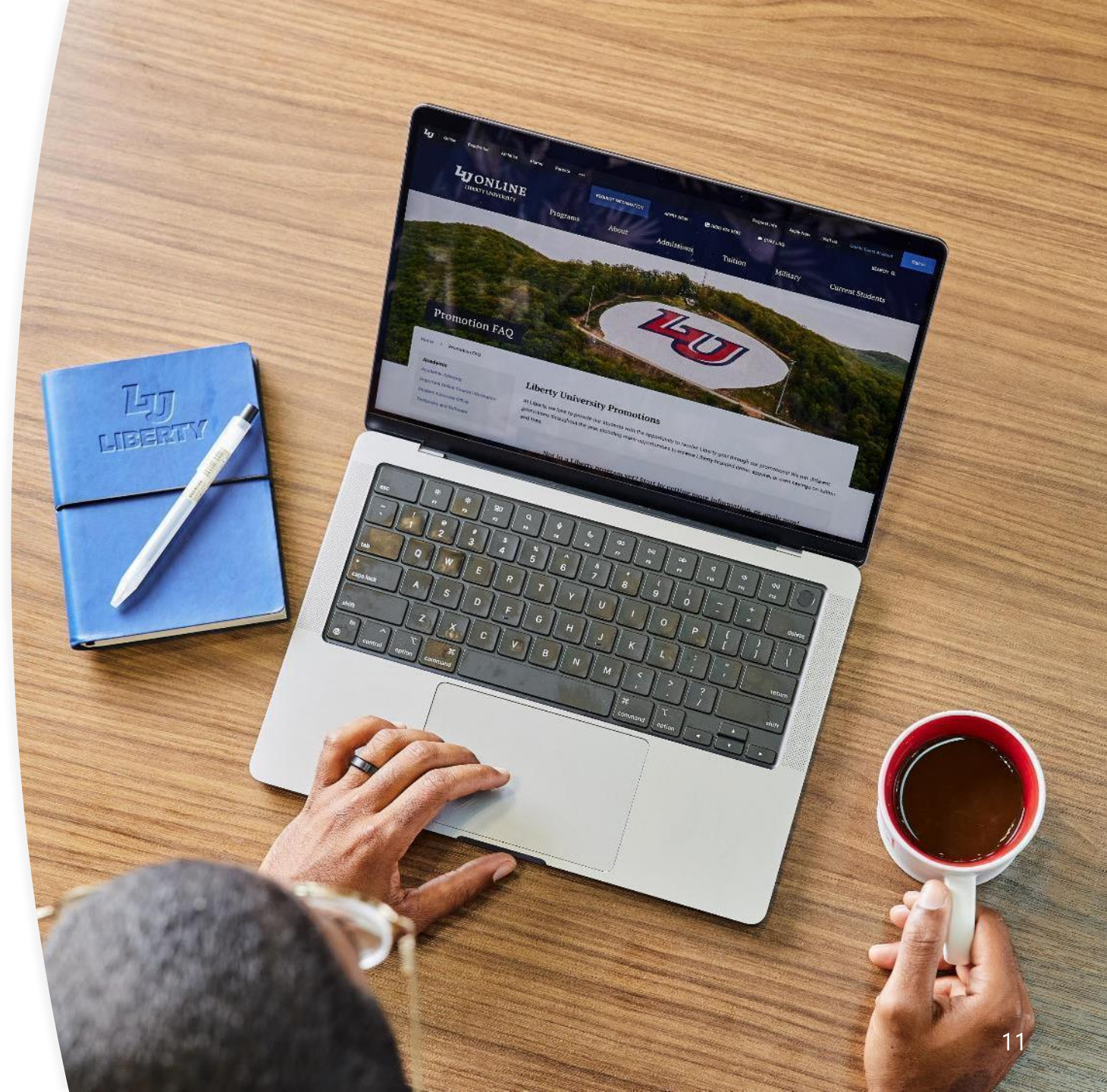
Sole Source Requisition

- Competition is not available on purchases requiring competitive bids

- Justification of fair & reasonable price

- Requires Procurement approval

Thresholds

Threshold	Current Process
$0 - $1,000	• P-Card Purchases for **LU Branded** items are limited to $1,000. • LU Branded purchases over $1,000 require multiple bids. • All LU Branded items must be purchased from licensed suppliers.
$0 - $2,500	• **P-Card** purchases must be less than $2,500.
Above $10,000	• **All** purchases above $10,000 require multiple formal bids. • If more than one bid is not possible, a Sole Source requisition is required.
Any Amount	• **All** university purchases requiring contracts must go through the Procurement department for signature. • Employees do not have the authority to sign purchasing agreements on behalf of the university.

Topic 2: Enterprise Sourcing (Catalog Purchasing)

- Catalog vs. Non-catalog
- Types of Catalogs

Catalog vs. Non-Catalog

BuyLU Showcase/Punch Out/Hosted Catalog Tiles	Pros for Catalog vs. Non-Catalog Orders
	• Less manual entry of Item • Information/ease of entry • No second quotes needed under $10,000 • Can search the catalogs for product information & pricing/availability • Commodity codes and product information provided

Types of Catalogs

Punch-out Catalog	Hosted Catalog	Self-Managed Catalog
• Discounts • Ease of use and saves time in keying a requisition • Accessible from BuyLU Shopping Showcase • No quotes required under $10,000 - saves time up front • PO is automatically generated after financial approvals of the requisition and no buyer processing is required	• Discounts • Ease of use and saves time in keying a requisition • Accessible from BuyLU Shopping Showcase • No quotes required under $10,000 - saves time up front • PO is automatically generated after financial approvals of the requisition and no buyer processing is required	• Discounts • Ease of use and saves time in keying a requisition • Utilize "Shop at the Top" field to search by supplier name, product description, or part number • No quotes required under $10,000 - saves time up front • PO is automatically generated after financial approvals of the requisition and no buyer processing is required

Topic 3: Contract Services

- Understanding the Contract Process
- Contract Requests
- Urgent Contracts & Signature Policy

Understanding the Contract Process

- The Contracts team is dedicated to assisting your department's contract needs from beginning to end in support of Liberty's mission.

- Our goal is to fulfill your department's needs while mitigating risks on behalf of the University.

- We review and negotiate contracts that establish a legally binding relationship between a supplier and the University.

- We strive for excellence in customer service, timeliness, and efficiency.

Contract Requests

- **When to submit a contract**:
  - Any document with terms & conditions or a link to terms & conditions must be submitted in BuyLU
  - Submit contract request prior to requisition. A Contract Administrator will inform you when you can submit the requisition
  - Submit at least 30-45 days prior to need-by-date or contract start date

- **Documents needed when a request is submitted:**
  - Contract or Quote with Terms
  - Any exhibits or documentation accompanying the contract
  - Certificate of Insurance
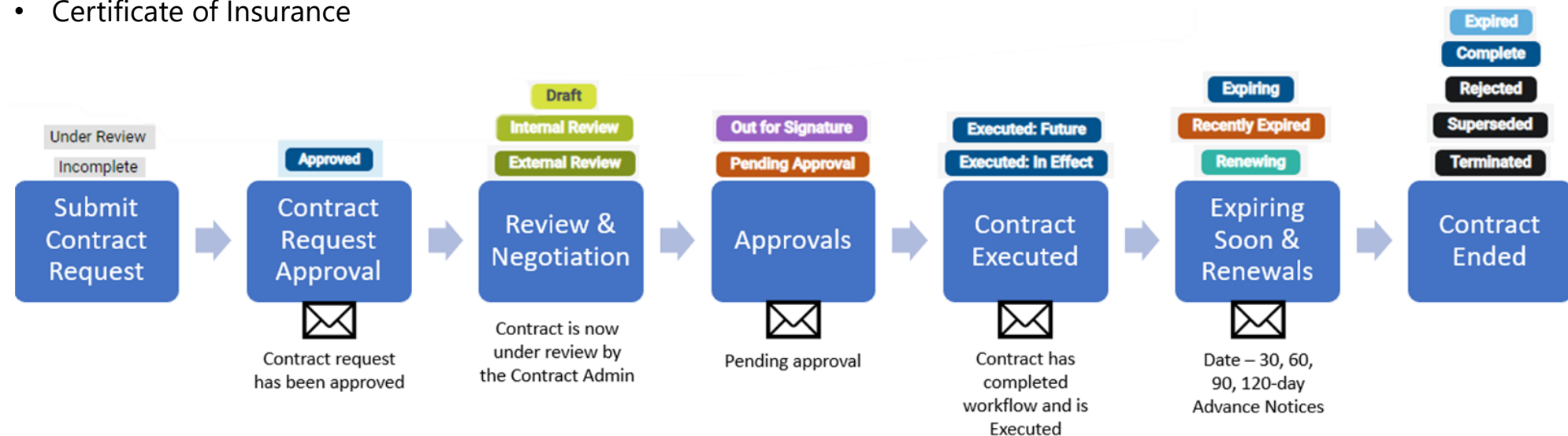
Urgent Contracts & Signature Policy

Urgent Contracts

- Since July 1, 2022, our team has received and worked on 700 urgent contracts

- Anything submitted and needed in less than 30 days is considered urgent

- Urgent contracts require the CA to stop working on all other contracts in order to ensure the urgent request gets executed in time. It also limits the CA from being able to do a proper review of the terms and mitigate the risks adequately. As we understand there are times when urgent matters may arise, it is important to engage with Contracts as soon as possible so that we can best serve and meet your department's needs.

Signature Policy

- Only a few people are authorized to sign and enter into contracts on behalf of the University:

  - The President

  - Executive Vice President for Finance

  - Designated Procurement & Payment Services personnel

Topic 4: Payment Services

- Understanding the Payment Process
- Payment Methods
- Payment Requirements

Understanding the Payment Process

- The Payment Services Team is responsible for the payment of invoices related to all aspects of University operations, with the exception of Payroll.

- We work extensively with both Procurement and end-users to ensure payments are made in a timely manner, but not before:

  - (1) confirmation of receipt of goods,

  - (2) completion of services, and/or

  - (3) necessary approvals are obtained.

- AP works closely with tax and accounting in assisting with reporting and reconciliation.

- We strive to provide prompt and courteous, system and operational support while maintaining University policies and procedures in accordance with local, state, and federal regulations. We assist all departments ensuring that accounting standards are being upheld.

Payment Methods

Check – Default Net 45 days

ACH – Net 40 (Supplier gets contacted by PS & the bank to complete the registration process

vCard – Net 10 (Supplier contacted by AP & Bank to fully register. Supplier works with VISA to retrieve payment via email notification

Wire- If supplier/individual has not been paid recently by wire, end-user has to verbally verify banking information provided.

Note majority of individual payments have contract terms, which is noted on the Supplier Profile internal notes

Payment Requirements

- IRS Requirement: W-9 or W-8BEN-E (foreign entity) form from supplier

- Inaccurate information could result in payment withholding per IRS requirement

- Confirmation that the goods/services have been received/completed (Exceptions are agreements with Full Paid in Advance/Deposit requirements)

- Invoice from supplier/Individual (exception of SFA/ICA being provided)

Check Pickup Process

Checks print daily if approved before check run & due date lines up

PS emails you when check is through approvals and ready for pickup

Email will let you know the preferred pickup times at the Cashier Department

For documentation purposes, signature, name, and pickup date required at the Cashier Department

Topic 5: P-Card Services

- P-Card Requirements
- Dos and Don'ts for P-Card

P-Card Requirements

PDFN 100 & PDFN 220

Monthly Reconciliation

Itemized Receipts

PDFN 221

Do's and Don'ts for P-Card

Do
- Use for travel expenses
- Use for office needs not available via BuyLU

Don't
- Pay for personal purchases
- Split purchases over $2,500
- Let others in office use your card
- Store on any website/device

Topic 6: Travel Services

- Travel Requirements
- Dos and Don'ts for Travel

Travel Requirements

✓ Departmental approval

💵 Budget approval

✈ Use Concur for booking

📦 Keep all itemized receipts

☎ If not able to cover with P-Card, call the Travel Office

Do's and Don'ts for Travel

Do
- Book on Concur
- Contact Travel Office with questions

Don't
- Book directly on supplier site
- Split payment to be able to put on P-Card

Did You Know?

- **LU branded items** are available on our shopping homepage within BuyLU.
    - For all free LU branded items, please use the "LU Branded Free Inventory" title.
    - For LU branded items at a cost, please use the "LU Branded Inventory" tile to place your order.
- **Sodexo Flavours Punchout** is now available on our shopping homepage within BuyLU.
    - This punchout will allow for an easier shopping experience for Catering. This punchout is only for simple orders.
    - If you have a more complex order, you will need to contact Sodexo Flavours.

Procurement Planning Checklist

PROCUREMENT PLANNING CHECKLIST

Use this checklist to keep track of all required documentation and forms required for your purchase.

- **Procurement Policy & Forms** are located on the Procurement & Payment Services website:
  www.liberty.edu/finance-admin/procurement/policy-forms/
- **Got questions?** Contact Procurement by email or phone:
  - **Email**: procurement@liberty.edu
  - **Phone**: (434) 592-3012

SUPPLIER

☐ Check to see if supplier is registered in BuyLU: Suppliers > Search for Supplier

☐ If you need a new supplier, request one by going to BuyLU > Suppliers > Request > Request New Supplier

☐ New supplier request requires current year W-9 and COI (if required)

CONTRACT

☐ Ensure supplier is registered in BuyLU. If not, submit a supplier request before submitting contract request

☐ Submit contract request in BuyLU

☐ Quote

☐ Agreement (contract, terms & conditions, etc.)

  ☐ If ICA, need ICA and ICA Questionnaire

☐ COI (if required)

☐ Supporting Documentation (as needed)

☐ Receive request from Contract Administrator to submit requisition

CREATE A REQUISITION

☐ Determine whether purchase can be made via a BuyLU catalog. If not offered via catalog, submit non-catalog requisition

☐ Confirm supplier is active in BuyLU. If not, Request New Supplier

☐ If a contract is involved, submit new contract request in BuyLU. Wait for request from Contract Administrator to submit requisition

☐ Submit non-catalog requisition

☐ Attach corresponding documentation (Quote from vendor, contract, statement of work, proposal, etc.)

☐ For requisitions valued at over $10,000, multiple formal bids are required. For promotional products, multiple formal bids are required, and the threshold is reduced to $1,000

RECEIVING

☐ Once item arrives, create receipt on PO in BuyLU

PAYMENT

☐ Instruct vendor to email invoices to Payment Services at acctspay@liberty.edu

Thank You
Q&A

Contact Us

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