Procurement Workshop – FMS

Jamon Hill
Executive Director of Supply Chain
Deputy Chief Procurement Officer

Arizona State University

The Valley of Despair

Where do I start?

Supplier set up related to REQs & Purchase Orders	**Supplier set up related to purchases not requiring a PO**	**Noncompensatory Payments: Awards and Scholarships, Participant Support, Research Subject Payments, Stipends-Students and Fellowships**
❑ ASU Dept: Creates a requisition for the purchase.	❑ ASU Dept: Completes the supplier request form.	❑ ASU Dept: Identify recipient, run a search in FMS to ensure individual not already in FMS.
❑ Procurement: Reviews req and sends registration link to Supplier.	❑ Procurement: Reviews form and sends registration link to supplier.	❑ ASU Dept: Sends **DocuSign** link to supplier. Found at: https://cfo.asu.edu/procurement-guide
❑ Supplier: Completes and submits FMS registration.	❑ Supplier: Completes and submits FMS registration.	❑ Supplier: Completes DocuSign registration.
❑ Financial Services: Reviews preliminary record and supporting documentation. If preliminary review meets validation criteria, the record is 'submitted'.	❑ Financial Services: Reviews preliminary record and supporting documentation. If preliminary review meets validation criteria, the record is 'submitted'.	❑ Financial Services: Retrieves data from DocuSign, validates data, and creates record in FMS.
❑ Record becomes visible to ASU departments as 'inactive'. The record will remain inactive until all approvals have been applied.	❑ Record becomes visible to ASU departments as 'inactive'. The record will remain inactive until all approvals have been applied.	❑ Record becomes visible to ASU departments as 'inactive' and begins routing for approvals. The record will remain inactive until all approvals have been applied.
❑ Average processing time is 48 hours from Financial Services submitting the record.	❑ Average processing time is 48 hours from Financial Services submitting the record.	❑ Average processing time is 48 hours from Financial Services submitting the record.

SUPPLIER SETUP METHODS

Questions to ask yourself

What am I trying to do?

Buy something?

Pay an invoice?

Something else?

How do I buy something?

What am I buying?

What type of goods or service is it?
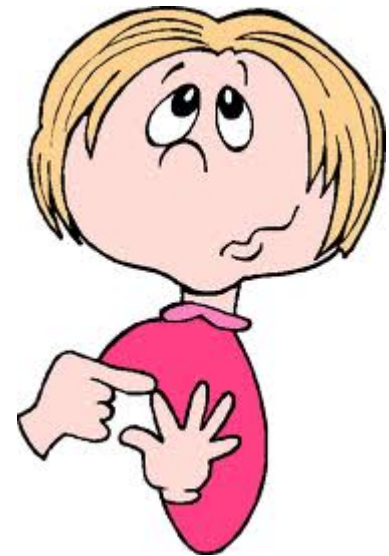**Is it one time or recurring?**
How much will it be?

How do I buy something?

How am I supposed to buy it?

What's the "<u>procurement method</u>?"

How do I buy something?

What process do I use to buy it?

Can I use a Pcard?
Should I use a Pcard?
If not, do I need a PO?
If I need a PO, how do I set it up?

Questions to ask yourself

What am I trying to do?

Buy something?

Pay an invoice?

Something else?

How do I pay an invoice?

Why do I have an invoice?

Is it from last year?

Was I supposed to do a PO first?

How do I pay an invoice?

What if I was supposed to do a PO but now I'm throwing myself on the mercy of the court?

Can my Pcard save me?

What's my last resort?

Something else?

Do I need a contract?

Who can sign things?

How do I set up a new vendor?

What are payment terms?

What if I need to go to bid?

How do I receive goods or services?

How do I change a PO?

Something else?

Do I need a contract?

For most purchases that are on the non-PO list, either an OGC template exists or the supplier's contract can be used

For purchases that require a PO, we will use the PO as the contract as much as possible. You can submit a copy of the contract the vendor wants via the FMS requisition, but we will attempt to not use it if possible. We can issue statements of work as a part of the PO.

Something else?

What are payment terms?

Vendors now have 4 options for payment terms – they can choose one of these;

1. P-Card or ePayables
   o This means that either the department will use their pcard and not submit a requisition OR
   o The vendor can be set up to be paid via virtual Pcard through AP (ePayables/Commerce Bank)
     ▪ If a vendor is interested in this option, they should be referred to AP
     ▪ This option means that the department will still issue a requisition and the vendor will be sent a PO. For payment, AP executes a transaction that electronically pays the vendor via virtual credit card. The vendor will have to be setup to do this.
2. 2% 10 Net 30
   o This means that we will pay them within 10 days, but we will take a 2% discount off the total
   o We reserve the right to pay them on net 45 terms if we choose
3. 1% 20 Net 30
   o This means that we will pay them within 20 business days but will take a 1% discount off the total
   o We reserve the right to pay them on net 45 terms if we choose
4. Net 30
   o We pay them within 30 days

Exceptions:

- Arizona small businesses can select option 1 or Net 30
- Construction vendors are "immediate" payment
- Vendors that are under an existing contract with differing payment terms will be paid under the contract terms
- Individuals set up as vendors will be "immediate" payment terms

Consider the following

{

- We're all learning

- Just because you did something a certain way before doesn't mean it's the best way now

- It's almost always faster to follow the process than try to build a new path

- It's easy to ask questions