Purchasing Approvers Forum

UC Davis
Winter 2019
Who’s Presenting Today?

- **Jim Hewlett**, Supply Chain Management, Communications and Training Specialist

- Over 20 years with the university, previously in Accounting & Financial Services and now in Supply Chain Management

- Looking forward to empowering you with information and resources today!
Today’s Agenda

- Separation of Duties
- Purchasing Transactions: Importance of Review and What to Review BEFORE Approving
- Account Delegates: Why They are Critical!
- Communicating Approval Requirements to your Document Initiators
- Review of Approval Processes in AggieBuy and Kuali Financial System (KFS)
Notes on Today’s Agenda

• Today’s forum is focused on approval requirements for purchasing transactions, but much of the information is applicable to ALL approval types.
Notes on Today’s Agenda

• **Procurement Card (P-Card)** transactions will not be specifically addressed in today’s forum, as P-Card transactions are documented post-transaction in the Kuali Financial System (KFS) on the **Procurement Card document (PCDO)**.

• Departments are to establish an appropriate pre-approval process for their P-Cardholders desiring to make a purchase with their card

• Refer to [PPM 350-22](#) for more information.
Audience Participation! Fun Question!

• Name something fun you hope to do this weekend!
AggieBuy and Kuali Financial System (KFS) Enforce Separation of Duties

• Individual who initiates a transaction is **never** able to **approve** their own transaction

• Transaction routes to and requires approval of fiscal officer or account delegate assigned to the account(s) cited on the transaction

• Best practice is for someone OTHER than a fiscal officer or account delegate to initiate a purchasing transaction in AggieBuy or in KFS, but, if a fiscal officer initiates a transaction, AggieBuy and KFS **automatically** require a **different account delegate** to approve the transaction
<table>
<thead>
<tr>
<th>Importance of Separation of Duties</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Ensure Compliance with UC Davis Separation of Duties Policy (<a href="#">PPM 330-11</a>)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Always 2 persons involved in each financial transaction: <strong>initiator</strong> and <strong>approver</strong></th>
<th>The review and approval should always <strong>add value</strong> to the transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>The initiated transaction is reviewed by an approver for <strong>accuracy</strong>, <strong>compliance</strong>, and <strong>completeness</strong></td>
<td>If a “questionable” transaction is approved, future investigations may involve inquiries with <strong>both</strong> the initiator and the approver</td>
</tr>
</tbody>
</table>
Audience Participation! Question 1

• What is a reason why you would disapprove a purchasing transaction?
Importance of Separation of Duties

An approval should never be “rubber stamped”

• Just because you previously approved a “similar transaction” previously does not necessarily mean that the current transaction should be approved

If you are unsure as to “why” you are being asked to review and approve a transaction, communicate with your supervisor or fiscal officer

• Perhaps someone else is more appropriate for approving the transactions?
Audience Participation! Question 2

• Name something you should confirm PRIOR to approving a purchasing document.
9 Questions to Ask Before Approving

<table>
<thead>
<tr>
<th>Is Purchase Appropriate?</th>
<th>Is Most Appropriate Purchasing Option Being Utilized?</th>
<th>Are there More Sustainable Options Available?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• How does it support:</td>
<td>• AggieBuy is preferred for most goods procurement</td>
<td>• e.g., Aggie Surplus; using existing items; or</td>
</tr>
<tr>
<td>• Teaching?</td>
<td>• If applicable, is a university purchasing</td>
<td>borrowing item from another department</td>
</tr>
<tr>
<td>• Research?</td>
<td>agreement being utilized?</td>
<td></td>
</tr>
<tr>
<td>• Public Service?</td>
<td></td>
<td></td>
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<tr>
<td>• Patient Care?</td>
<td></td>
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</tr>
</tbody>
</table>
9 Questions to Ask Before Approving

<table>
<thead>
<tr>
<th>Are Correct Account(s) Being Used?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Are funds appropriate for requested purchase?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are Lower Cost Options Available?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Consider overall cost (administrative overhead), <strong>not</strong> just sale price</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Is Appropriate Delivery Location Indicated?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Will delivery fit, and will there be someone available to receive order?</td>
</tr>
</tbody>
</table>
9 Questions to Ask Before Approving

<table>
<thead>
<tr>
<th>Is Request Appropriate from Person Making It?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Do they have the necessary authority and information to make the request?</td>
</tr>
<tr>
<td>• Are there any conflicts of interest or potential conflicts of interest?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are Items at or Above $5000 Being Purchased?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Is correct Custodial Code/Building Code/Room # included?</td>
</tr>
<tr>
<td>• Check with departmental Asset Representative if needed to confirm information</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are Correct Commodity Codes Indicated?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• This is primarily applicable for documents created in the Kuali Financial System (KFS), but can occasionally apply to AggieBuy transactions as well.</td>
</tr>
</tbody>
</table>
Account Delegates Can Also Approve

- **Critical** for ensuring that approval process continues **uninterrupted** if Fiscal Officer is out of the office or otherwise unavailable:

  - EVERY account should have at least ONE Account Delegate, but **more than one is strongly recommended**

  - Account Delegate(s) should clearly understand purpose of the account, what’s allowed and what is not, and what they should be reviewing **prior** to approval
Fiscal Officers: Keep Account Delegate Records Up-To-Date!

• Review the accounts for which you are the fiscal officer at least twice a year

• The **Account Delegate Lookup (167)** is a fantastic report in FIS Decision Support (DS) for this information

• Complete the appropriate **Account Delegate** document(s) in KFS to remove and/or add new account delegates; *fiscal officer/account delegate information is utilized for document routing in both KFS and AggieBuy*
Communicating Approval Requirements to Your Document Initiators

• Let your initiators know what they need to do BEFORE they submit documents

  • For example, if you want them to add a business reason in the **Comments** or **Notes** section, make sure they know this ahead of time

  • Finding out they did something “wrong after the fact” is generally not the “best” method
AggieBuy Requisition Approval Process

1. Requester submits **Requisition**
2. System Email sent to approver (if opted in)
3. Approver logs in to AggieBuy and accesses order from **Action Items** section or field from the upper right corner
4. Approver clicks on **Document Actions** and assigns to himself/herself
5. Approver carefully reviews and then **approves, returns, rejects**, or edits **Requisition**
AggieBuy Requisition Approval Process

• On the AggieBuy Dashboard:
  • Enter the Requisition number in the upper right corner, or
  • Select **View Another Dashboard**, select **Approvers**
AggieBuy Requisition Approval Process

- On the **Approver Dash**, click the links in the **Action Items** section
AggieBuy Requisition Approval Process

- Listed by Account

- Click on desired link to open the applicable Requisition(s)
AggieBuy Requisition Approval Process

• Clicking “Assign” allows you to take action on it; leaving it unassigned allows others (delegates) to take action on it; you can assign Requisition to yourself from the Action Items list

<table>
<thead>
<tr>
<th>Requisition No.</th>
<th>Suppliers:</th>
<th>Assigned Approver</th>
<th>PR Date/Time</th>
<th>Requisitioner</th>
<th>Amount</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>1705692</td>
<td>Office Max</td>
<td>Not Assigned</td>
<td>11/6/2016 2:04 PM</td>
<td>Requester 5 UC Davis</td>
<td>177.36</td>
<td></td>
</tr>
<tr>
<td>Requisition Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>assign</td>
</tr>
<tr>
<td>No. of line items</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1675271</td>
<td>Office Max</td>
<td>Not Assigned</td>
<td>9/29/2016 10:00 AM</td>
<td>Requester 5 UC Davis</td>
<td>114.47</td>
<td></td>
</tr>
<tr>
<td>Requisition Name</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>assign</td>
</tr>
<tr>
<td>No. of line items</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
AggieBuy Requisition Approval Process

You can also assign the Requisition to yourself by opening it and clicking on the **Assign to Myself** under the **Document Actions** menu.
AggieBuy Requisition Approval Process

• **Approve/Complete Step:** Approve Req

• **Return to Shared Folder:** You want to un-assign the Req so that other delegates can take action

• **Return to Requisitioner:** Returns Requisition to Requester to make changes *(email notification automatically sent to user)*

• **Reject Requisition:** Cancels the Requisition and it becomes read-only *(email notification automatically sent to user)*
AggieBuy Requisition Approval Process

• As an Approver, you can click on the **edit** link to modify any section of the Requisition.

• Add a **note** indicating the reason(s) why you made the changes you did.

• The **History** section will automatically notate who made the changes, what changes were made, and **date/time** changes were made.
AggieBuy Requisition History Log
AggieBuy Requisition Approval Alternate Process

- Approval Email **passcode** can be set up by approver and allows approver to approve via email by entering their passcode.

- This option does NOT relieve the approver of completing a complete and thorough review of all the information in the email prior to indicating acceptance and approval of transaction.

- Instructions for setting up an approval code are available here.
KFS Requisition Approval Process

1. Requester submits **Requisition**

2. System Email sent to approver (if opted in)

3. Approver logs in to KFS and accesses Requisition from **Action Items** section

4. Approver clicks on **Document Number** to open it, carefully reviews it, and scrolls to bottom of document to approve or disapprove

5. NOTE: Fiscal approver and account delegates generally only have edit ability for changing account to another one for which they are also the fiscal officer/delegate
KFS Requisition Approval Process

Message Of The Day

Getting an error when attaching a file to a document? Check the file size; the maximum file size is 5 MB for each attachment. It may be too large and should be separated into smaller files or saved as reduced size file. More information on attachments at http://afs.ucdavis.edu/systems/kuali/notes-attachments.html.
## KFS Requisition Approval Process

<table>
<thead>
<tr>
<th>Requisition Number</th>
<th>Type</th>
<th>Description</th>
<th>Status</th>
<th>Approver</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>50609300</td>
<td>Purchase</td>
<td>Order void</td>
<td>ENROUTE, Awaiting Fiscal Officer</td>
<td>APPROVE</td>
<td>LAGALI, DANIEL E</td>
</tr>
<tr>
<td>50617507</td>
<td>Journal</td>
<td>Voucher</td>
<td>ENROUTE</td>
<td>ACKNOWLEDGE</td>
<td>FINN, COURTNEY M</td>
</tr>
<tr>
<td>50619576</td>
<td>Requisition</td>
<td>Testing</td>
<td>ENROUTE, Awaiting Fiscal Officer</td>
<td>APPROVE</td>
<td>HEWLETT, JAMES G</td>
</tr>
</tbody>
</table>

[Image of Kuali financial system]
KFS Requisition Approval Process
Best Practices for Fiscal Officers

• OPTIONAL: Set up additional approvers as **Department Approvers** in AggieBuy: (More information online)

• These are generally **lab managers** or **office managers** who will be reviewing and approving a transaction PRIOR to Requisition routing to Fiscal Officer/Account Delegates

• Can be helpful if **additional review** needs to be completed **prior to fiscal officer approval**

• **CAUTION:** Fiscal Officer/Account Delegate CANNOT approve transaction UNTIL Department Approver has approved it, so identify any additional approvers carefully; similar to ad hoc routing a KFS Requisition for approval; fiscal officer cannot approve until the ad hoc recipient has approved it first.
Best Practices for Approvers

• Too many documents to review and approve?

  • Work with existing account delegates to streamline the approval process
  • Set up additional delegates for approval as needed

• Ask Requesters to combine/bundle requests when possible to reduce the number of transactions requiring approval
Best Practices for Approvers

• If editing a Requisition, add notes indicating “why” you made an edit to a Requisition

• If Requesters routinely make the same errors, communicate with them to ensure they know what needs to be done; Communication is Key!
Audience Participation! Question 3

• Name something new you learned today!
Online Resources

• Approving AggieBuy Orders:
  https://supplychain.ucdavis.edu/procure-contract/aggiebuy/approving

• General Information on Approving Transactions:
  • http://afs.ucdavis.edu/resources/fiscal-officer/fiscal-officer-overview/approving-transactions.html
Question & Answer Time!
Need Additional Help?

- FIS Help Desk
  - fishelp@ucdavis.edu

- AggieBuy Help Desk:
  - ab-help@ucdavis.edu
Thanks for your Participation!