UCDAVIS

Supply Chain Management

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

Importance of Separation of Duties

- Ensure Compliance with UC Davis **Separation of Duties Policy** (PPM 330-11)

Always 2 persons involved in each financial transaction: **initiator** and **approver**

The review and approval should always **add value** to the transaction

The initiated transaction is reviewed by an approver for **accuracy**, **compliance**, and **completeness**

If a “questionable” transaction is approved, future investigations may involve inquiries with **both** the initiator **and** the approver

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

Is Purchase Appropriate?

- How does it support:
  - Teaching?
  - Research?
  - Public Service?
  - Patient Care?

Is Most Appropriate Purchasing Option Being Utilized?

- AggieBuy is preferred for most goods procurement
- If applicable, is a university purchasing agreement being utilized?

Are there More Sustainable Options Available?

- e.g., Aggie Surplus; using existing items; or borrowing item from another department

9 Questions to Ask Before Approving

Are Correct Account(s) Being Used?

- Are funds appropriate for requested purchase?

Are Lower Cost Options Available?

- Consider overall cost (administrative overhead), **not** just sale price

Is Appropriate Delivery Location Indicated?

- Will delivery fit, and will there be someone available to receive order?

9 Questions to Ask Before Approving

Is Request Appropriate from Person Making It?

- Do they have the necessary authority and information to make the request?
- Are there any conflicts of interest or potential conflicts of interest?

Are Items at or Above $5000 Being Purchased?

- Is correct Custodial Code/Building Code/Room # included?
- Check with departmental Asset Representative if needed to confirm information

Are Correct Commodity Codes Indicated?

- This is primarily applicable for documents created in the Kuali Financial System (KFS), but can occasionally apply to AggieBuy transactions as well.

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**

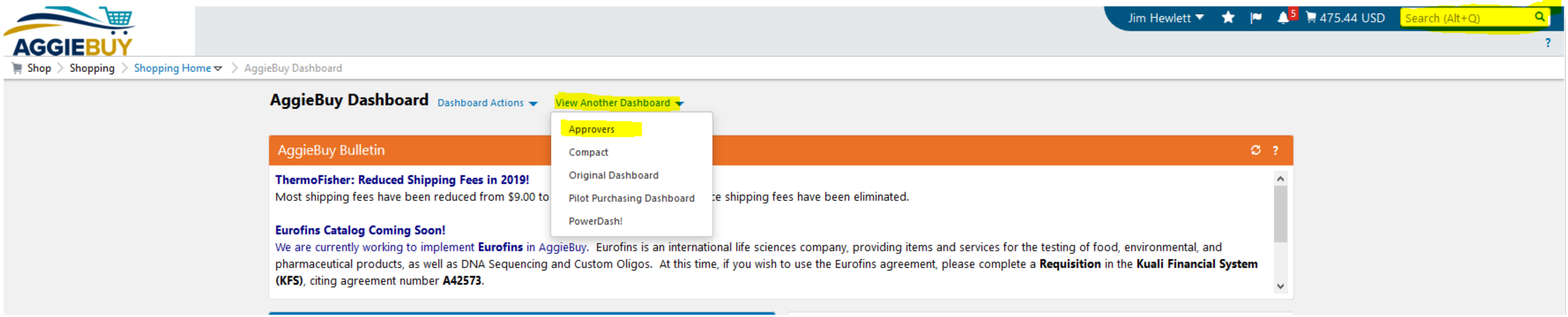
  - Finding out they did something “wrong after the fact” is generally not the “best” method

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**

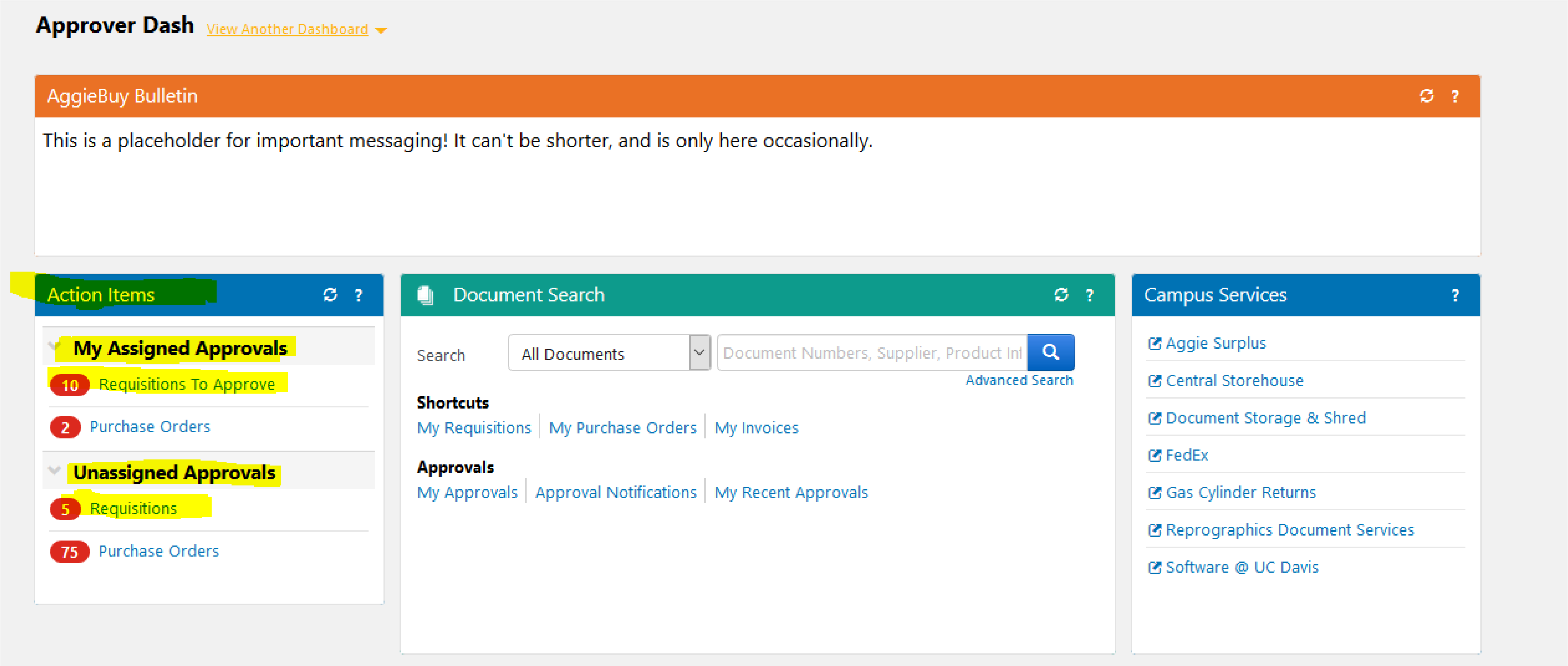
AggieBuy Requisition Approval Process

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



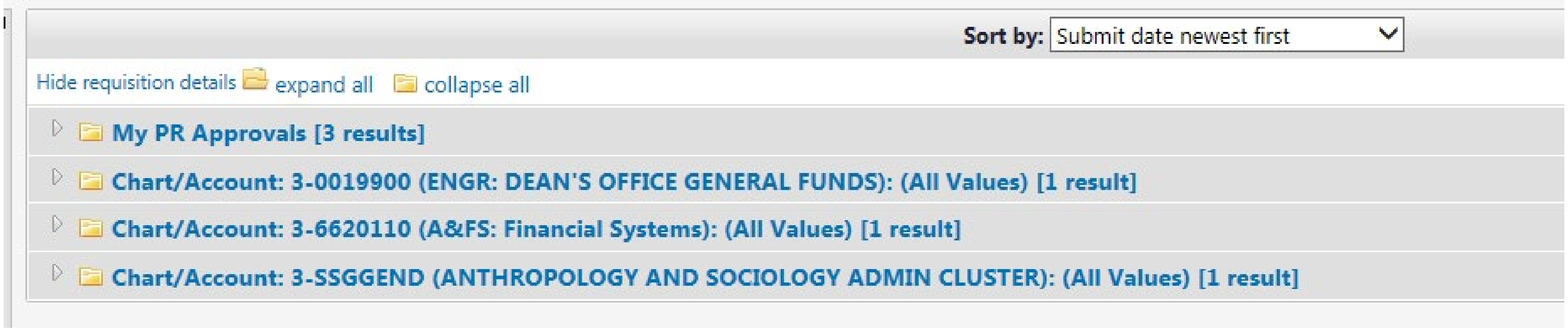
AggieBuy Requisition Approval Process

- 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

Sort by: Submit date newest first ?

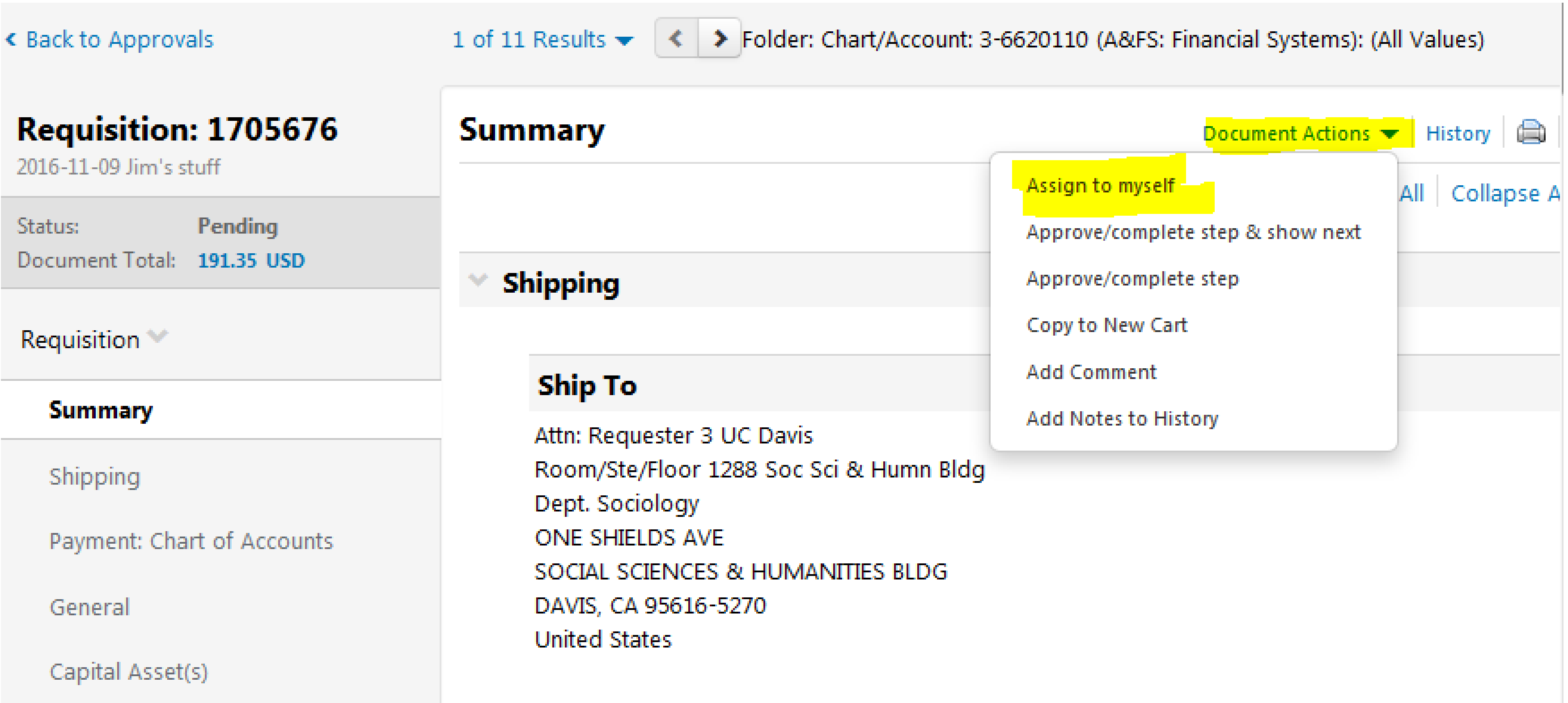
Hide requisition details expand all collapse all Results per folder: 20

Chart/Account: 3-6109009 (UTILITIES:MATL PASS THRU-RCHG): (All Values) [2 results]

Requisition No.	Suppliers:	Assigned Approver	PR Date/Time	Requisitioner	Amount	Action
1705692	Office Max VWR International	Not Assigned	11/9/2016 2:04 PM	Requester 5 UC Davis	177.36 USD	Assign
Requisition Name: 2016-11-09 davisrequester5 01 No. of line items: 2			Folders	95 Days in folder [Chart/Account: 3-6109009 (UTILITIES:MATL PASS THRU-RCHG): (All Values)]		
1675271	Office Max	Not Assigned	9/29/2016 10:00 AM	Requester 5 UC Davis	11.47 USD	Assign
Requisition Name: 2016-09-29 davisrequester5 01 No. of line items: 1			Folders	137 Days in folder [Chart/Account: 3-6109009 (UTILITIES:MATL PASS THRU-RCHG): (All Values)]		

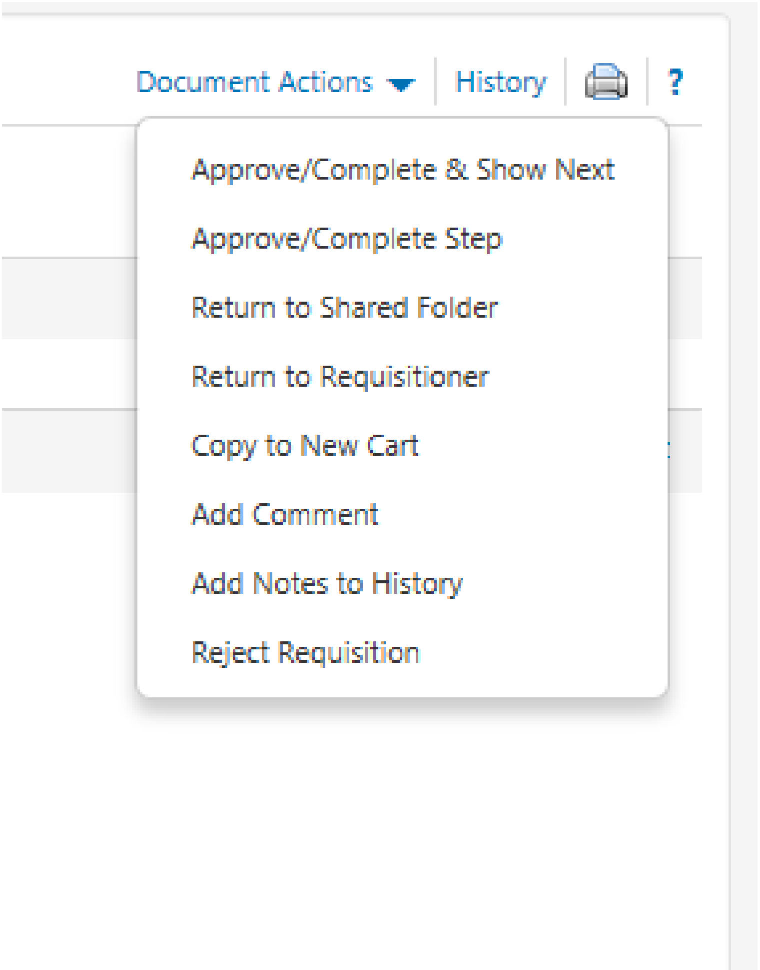
AggieBuy Requisition Approval Process

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



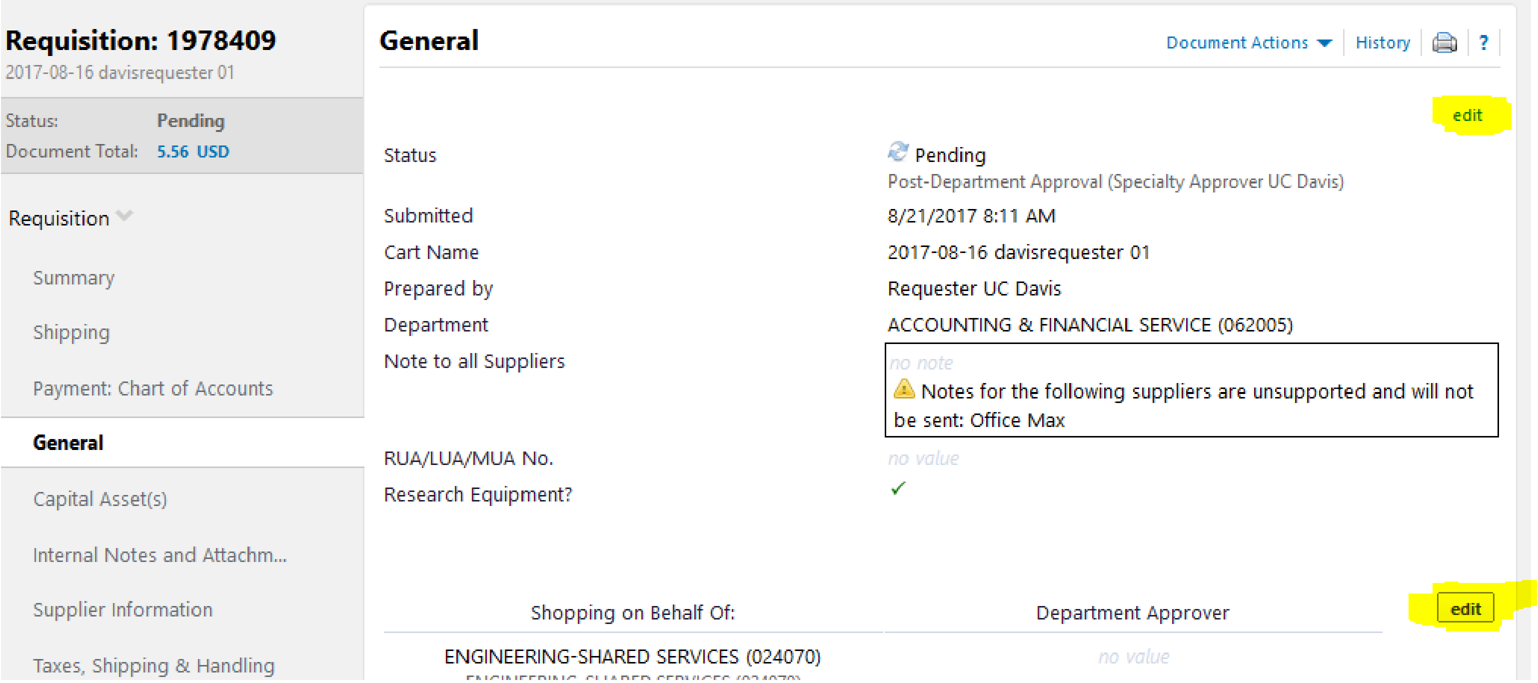
AggieBuy Requisition Approval Process

- **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*)

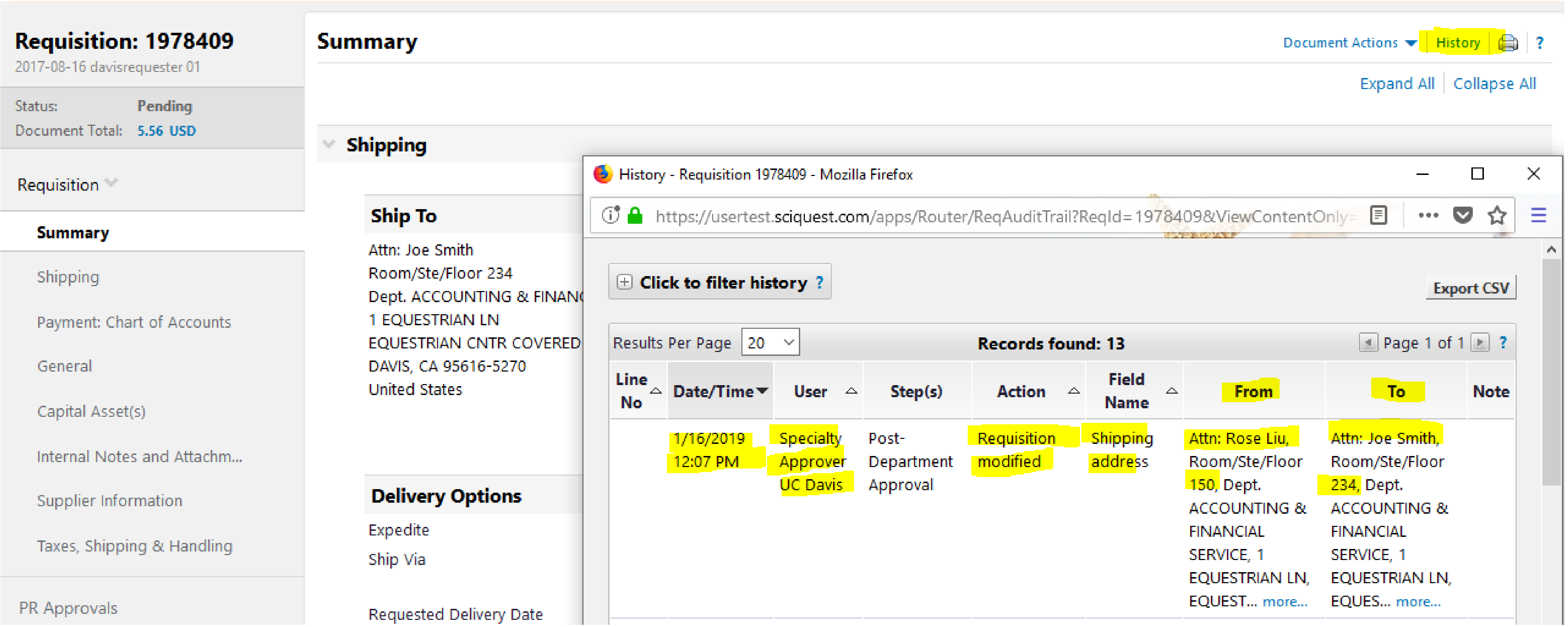


AggieBuy Requisition Approval Process

- 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

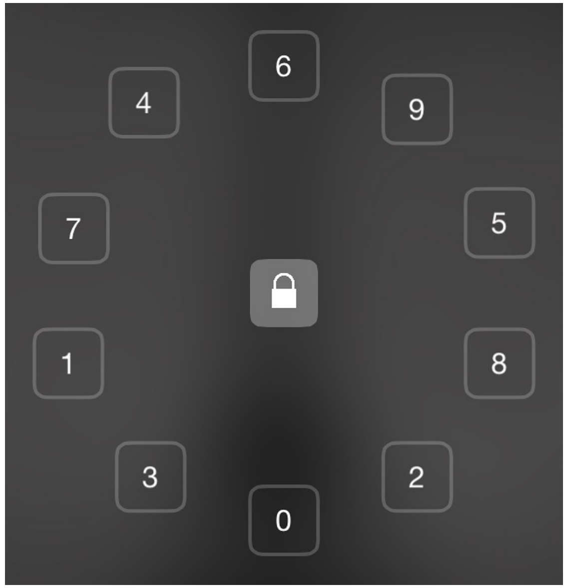


AggieBuy Requisition Approval Alternate Process

- 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**

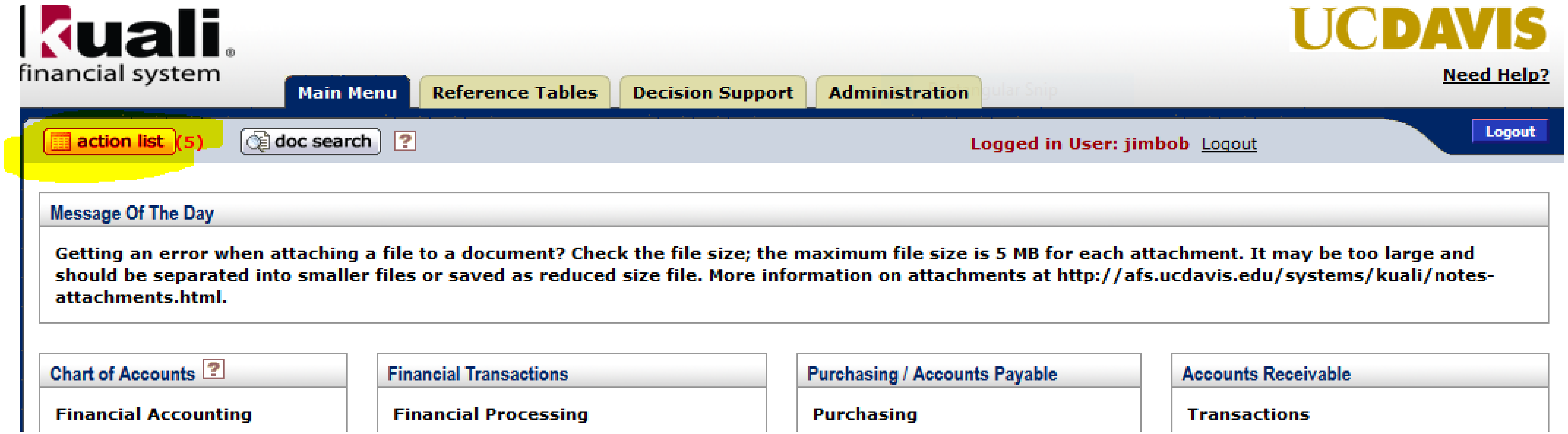
2. System Email sent to approver (if opted in)

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

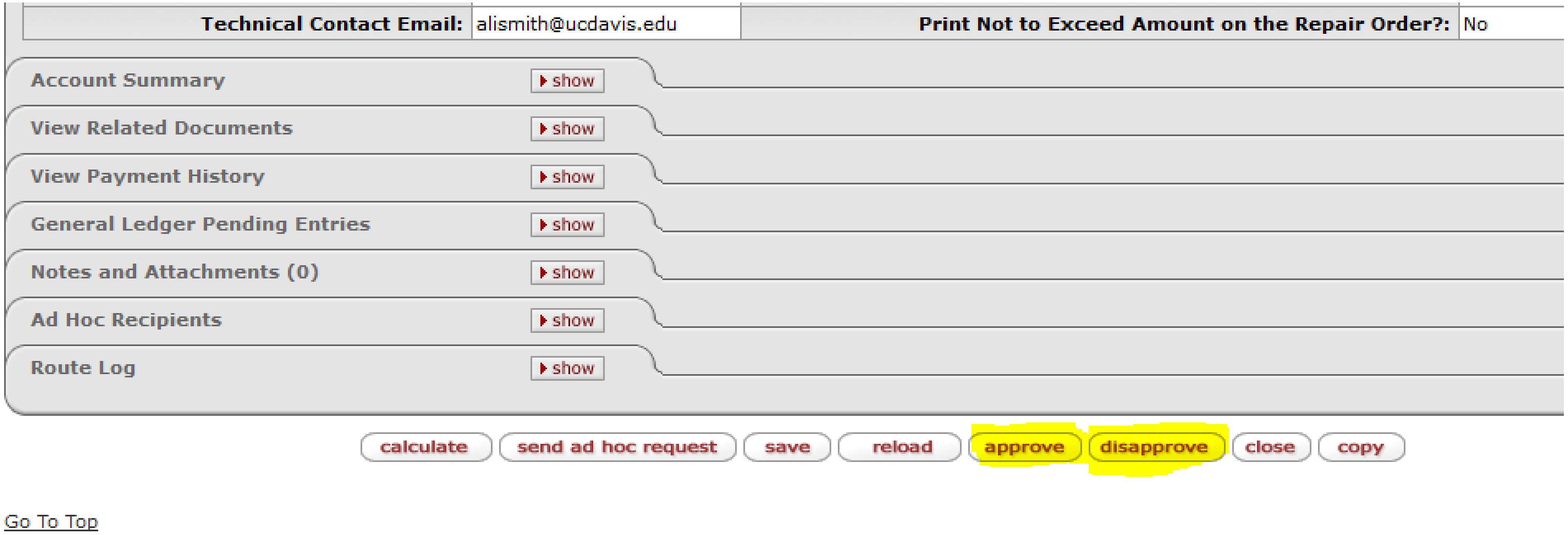


KFS Requisition Approval Process

50609300	Purchase Order Void	Aggiebuy UCDAB001869T by UC Davis, Reque	ENROUTE, Awaiting Fiscal Officer	APPROVE	LASALA, DANIEL E		03:21 PM 10/30/2018		
50617607	Journal Voucher	LC Test Document	ENROUTE	ACKNOWLEDGE	FINN, COURTNEY M		10:33 AM 11/30/2018		
50619576	Requisition	testing	ENROUTE, Awaiting Fiscal Officer	APPROVE	HEWLETT, JAMES G		01:04 PM 12/07/2018		

kuali financial system

KFS Requisition Approval Process



kuali financial system

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!

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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!