

# How Do I Buy?

Purchasing at UC Davis



# Today's Agenda

- Overview of the 4 Procurement/Payment Options
  - How do you choose?
  - How do they work?
- Reports to Make Procurement Easier
- Q&A

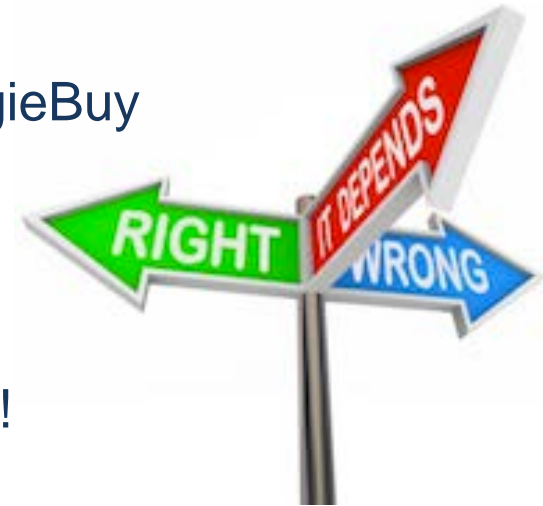


# Introducing Today's Presenters...

- **Jim Hewlett;** Technology Solutions & Communications Lead, Supply Chain Management
- **Julie Alvarez;** Buyer, Strategic Sourcing
- **Britany Duyanovich;** Buyer, Strategic Sourcing
- **Vartan Vartkessian;** Administrator, UC Davis Card Program
- **Kay Cole;** Buyer, Procurement and Contracting Services
- And a few others that we'll introduce now...

# Overview of 4 Basic Options

1. **AggieBuy:** Start Here!
2. **Procurement Card:** If item **isn't** available in AggieBuy
3. **Travel Card:** In **some** cases
4. **Kuali:** When none of the options above will work!



# Average Transaction Costs By Option

1. **AggieBuy:** \$35/transaction; order and payment combined
2. **Procurement Card:** \$68/transaction; order and payment combined
3. **Kuali Financial System (KFS):** \$100-\$300/transaction; separate transactions created for order and payment processes

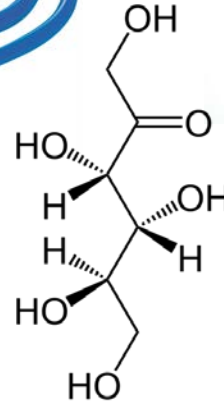
# AggieBuy: Start Here!



- **Newest e-procurement option** at UC Davis, as of November 2016
- **Over 20 suppliers** currently available, with new ones being added quarterly; Breadth/depth of product offerings keeps increasing!
- **Best place to start** when you are searching for an item!

# AggieBuy: Start Here!

- You can purchase almost everything, from computers to chairs, office supplies to oligos, stethoscopes to software, Ajax cleanser to zebra z-grip pens!





# AggieBuy: Start Here!

## Benefits

- Take advantage of university agreement pricing
- No per-order dollar limits
- No having to enter commodity codes; just locate item and submit order
- Purchase capital assets over \$5K
- Special conditions routing allows inclusion of deeper catalog options, including radioactive and hazardous materials
- Purchase and Payment combined in one transaction
- Provides detailed expense information on the ledgers in FIS Decision Support

## Development Opportunities

- Not all items in supplier's public-facing catalog may be available in AggieBuy
- Trade-ins are not currently accommodated
- Can't currently be used for repairs or procuring services
- Tax issues for implementation of some suppliers (e.g., Neta Scientific) and R&D equipment tax reductions





# AggieBuy: Agreement Pricing

- Using AggieBuy ensures you get the **university negotiated pricing**
- This is generally the **lowest overall cost** available from the supplier
  - **Lowest overall cost** may be higher than public shelf price, but *includes the benefits of e-procurement*, including **automatic payment, free shipping** for many items, and **better return options** in many cases



# AggieBuy: Agreement Pricing

- Using AggieBuy helps to ensure that supplier prices are kept as low as possible
- The more the university uses the supplier agreements, the better the negotiation terms/prices the university can realize



# AggieBuy: Agreement Information

- The **Strategic Sourcing** unit of Procurement and Contracting services works with UCOP to negotiate and develop agreements; they also work with suppliers to ensure pricing is correct and fair
- **Dell: Bulk Computer Purchase Agreement** implemented this past Spring; great way to save \$ on computer purchases in AggieBuy
- **Fisher: UC Fisher First** contract provides multiple Fisher items at a lower price than what is available elsewhere

# AggieBuy: Agreement Information



- Each agreement has its own terms and conditions; occasionally one agreement may restrict selling of a specific product to that one supplier
- If you receive a message that a commodity has been “blocked,” another AggieBuy supplier will usually have that same commodity available for purchase



# AggieBuy: Adding New Catalogs

- The **Strategic Sourcing** unit is involved in the discussion of new catalog agreements to implement in AggieBuy
- Four Major Determining Factors:
  - Existence of a UC Systemwide or Campus Agreement
  - Existence in Another UC E-Procurement System
  - Amount of Spend and Transactions
  - Campus Employee Feedback

# AggieBuy: New Catalogs (last 4 mos)



- Agilent
- Genesee
- GE Dharmacon
- Medline
- UC Davis Vet Med Central Services

# AggieBuy: Upcoming Catalogs



- Apple
- Aramark
- Eppendorf
- GE Biosciences
- National Gift Card



# AggieBuy: Did You Know?

- **Capital Assets** (items over \$5K) can be purchased; system requires completion of **Capital Asset** section on Requisition, including custodial code, building/room, and manufacturer/model info
  - Associated **Purchase Order** automatically routes to Equipment Mgmt for review
- **Radioactive** and **Hazardous** materials can be purchased; no special sections required to be completed
  - Requisition automatically routes to EH&S for review/approval



# AggieBuy: Time Savers



- Set up **Defaults** for **Delivery Addresses/Frequently-Used Accounts**
- Save **Favorites** for **Frequently-Purchased Items**
- Use **previous Requisitions** as **Templates** for new orders



# UCD Buy: Still Available for Some Items

- Tax-Free Ethyl Alcohol
- UC Davis Service Award Pins
- Gas Cylinder Rentals (Nitrogen, Oxygen, etc.)
- Neta Scientific Catalog



# Procurement Card



- Procurement Card is a charge card issued to a university employee
  - Charge card is like a Debit card
- Training required before issuance, and annually thereafter
- Great option for when AggieBuy doesn't have desired item(s)
- Can be used for many of the same items that are also allowable on an Automatically-Created PO in KFS

# Procurement Card



## Benefits

- Suppliers tend to ship quickly since they are paid quickly
- Purchase and Payment combined in one transaction
- Can be used for certain services, such as advertising, copy or print services, insurance premiums, membership fees, utility bills

## Development Opportunities

- More internal dept controls needed to ensure that purchases have necessary pre-approvals
- Can't be used for purchases over \$5K
- Spending details (commodity-level information) are much more limited than for purchases created in AggieBuy or KFS
- Object code must be manually updated in KFS for each P-Card transaction

# Procurement Card: Agreements



- When using a university Procurement Card, be sure to let the vendor *know at the time of purchase* if it is part of a university agreement
  - Providing the vendor with the *specific agreement number* will help ensure university pricing and any applicable terms and conditions are properly applied to the transaction

# Procurement Card: Time Savers



- Keep receipts in an easy-to-locate spot as they need to be uploaded to the **Procurement Card** document in KFS
- Maintain a **Purchasing Log** that makes it easy to reconcile your card transactions



# Travel Card



- Travel Card is a credit card for employees who travel or entertain on behalf of the university
- Unlike Procurement Card, it's **not** a Charge Card; payments are requested through **Aggie Travel** expense reports
  - Payments are made to the bank for fully-approved transactions
- Used for travel and entertainment-related expenses, including catering/food for events and room rentals for events

# Travel Card



## Benefits

- Much easier to use for catering and room rentals for entertainment-related expenses than KFS

## Development Opportunities

- More limited use; can only be used for events that are defined as entertainment or travel
- Payment can be rejected/disapproved if it's determined to not be travel or entertainment-related



# Travel Card: Time Savers



- Keep card transaction receipts organized in a folder
- Enter your travel report as soon as possible after travel or entertainment event has concluded
- Note any expenses on a receipt that are personal expenses and not reimbursable by the university



# Kuali Financial System

- Available for nearly all procurement and payment transactions
- Training required before access is granted to Purchasing documents
- Routing on **Requisition** is based on dollar amount and commodities purchased
  - Most Requisitions over \$5K automatically route to Procurement and Contracting Services; “Restricted” Commodity Codes automatically route to EH&S and other units as required

# Kuali Financial System

## Benefits

- Can be used for nearly all procurement and payment transactions
- Take advantage of university agreement pricing
- No per-order dollar limits; routing occurs automatically
- Provides detailed expense information on the ledgers in FIS Decision Support

## Development Opportunities

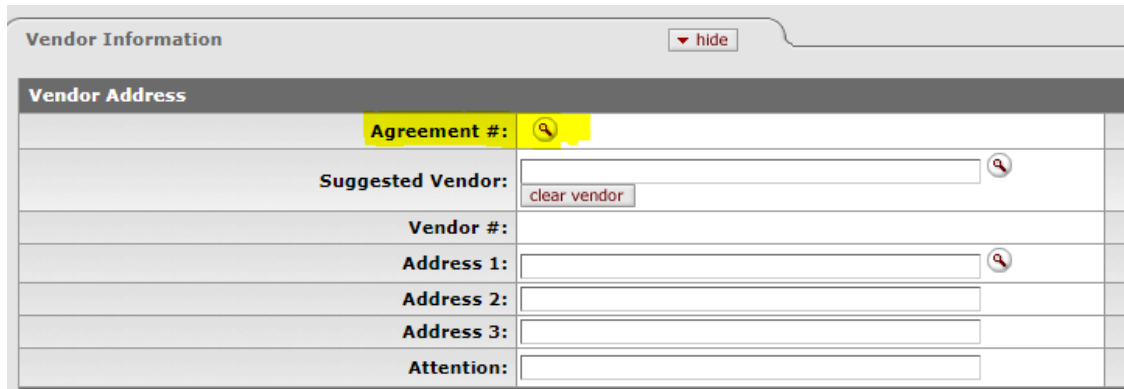
- Extensive administrative overhead as each Purchase and Payment transaction must be processed separately
- Extensive data to enter for each transaction; likelihood of errors much higher than in AggieBuy
- Commodity codes are often difficult to locate; incorrect commodity codes can result in orders being stalled/rejected or incorrect information being reported in FIS Decision Support
- Capital Asset purchases in KFS always require review/approval by Procurement and Contracting Services, unlike in AggieBuy, where these purchases do not need this approval
- If agreement # is not specified, may miss out on university agreement pricing

# Kuali Financial System: Agreements

- ALWAYS start your purchasing in KFS by seeing if an Agreement exists!
- Using Agreements **Saves Time and Money:**
  - Many Purchase Agreements allow departments to purchase above the \$5K APO limit; this means *bypassing the approval routing to Procurement and Contracting Services*
  - Just like the AggieBuy agreements, the more the agreements are used, the *better the overall pricing/terms/conditions* that will be realized

# Kuali Financial System: Agreements

- On the **Requisition** in KFS, in the **Vendor Information** section, click on the Lookup icon:















A screenshot of the 'Vendor Information' section in the Kuali Financial System. The section is titled 'Vendor Information' and has a 'hide' button. Below the title is a 'Vendor Address' section. The 'Agreement #' field is highlighted in yellow and has a magnifying glass icon. The 'Suggested Vendor:' field has a magnifying glass icon and a 'clear vendor' button. The 'Vendor #:', 'Address 1:', 'Address 2:', 'Address 3:', and 'Attention:' fields all have magnifying glass icons. The 'Address 1' field has a 'clear vendor' button below it.

Vendor Information	
▼ hide	
<b>Vendor Address</b>	
<b>Agreement #:</b>	<input type="text"/> 🔍
<b>Suggested Vendor:</b>	<input type="text"/> 🔍 clear vendor
<b>Vendor #:</b>	<input type="text"/>
<b>Address 1:</b>	<input type="text"/> 🔍
<b>Address 2:</b>	<input type="text"/>
<b>Address 3:</b>	<input type="text"/>
<b>Attention:</b>	<input type="text"/>

# Kuali Financial System: Agreements

- On the **Agreement Number Lookup** in KFS, search by Vendor Name or Commodity Code to locate agreements:

Agreement Number Lookup 

Campus:	DV - UC Davis
Vendor #:	<input type="text"/>
Vendor Name:	<input type="text"/>  
Description:	<input type="text"/>
Contract Manager:	<input type="text"/>  
Agreement Number:	<input type="text"/>
UCOP/System-wide Agreement #:	<input type="text"/>
Department Agreement #:	<input type="text"/>
PO Cost Source:	<input type="text"/>  
Payment Terms:	<input type="text"/>  
Shipping Terms:	<input type="text"/>  
Shipping Title:	<input type="text"/>  
B2B Contract:	<input type="text"/>
Commodity Code:	<input type="text"/>  
Active?:	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> Both
<input type="button" value="search"/> <input type="button" value="clear"/> <input type="button" value="cancel"/>	

# Kuali Financial System: Agreements

- If your department regularly purchases a commodity not on an existing university agreement (more than \$10K spend/year), consider setting up a **Blanket** agreement in KFS
- Run the **Commodities Purchased Log (365)** in **FIS Decision Support** to see what commodities are purchased most frequently
- Blanket agreements are set up on the **Purchase Agreement** document in KFS and purchased against on the **Requisition** in KFS

# Kuali Financial System: Agreements

- Blanket Agreements are reviewed by the staff in Procurement and Contracting Services
  - They will ensure that the department is getting the lowest overall price from that supplier and also ensure that all legal requirements are met



# Kuali Financial System: Time Savers

- Use **previous documents** as **templates** for new documents
- Use “**set as default building**” for your most-frequent delivery location on the **Requisition**
- Set **preferences** for e-mail notifications, color coding document status types, and other options in your **Action List**



# Special Note on Service Procurement

- Most services must be procured through KFS on a **Requisition**; will be reviewed by Procurement and Contracting Services for terms/conditions review
- **Procurement Card** can be used for some services
- Some services are available from UC Davis Campus Units (e.g. **Special Services**, UC Davis **Mail Services Division**)

## Quotes and Bids for KFS Orders Over \$10K

- Most KFS Requisitions over \$10K require one or more formal quotes; departments can attach quotes to expedite process
- Formal bid period may be required for some orders exceeding \$50K
- Buyer in Procurement and Contracting Services will determine best supplier based on price, cost per quality point, and best overall value

# Reports to make Procurement Easier!

- The [Commodities Purchased Log \(365\)](#) in FIS Decision Support (DS) is the best report for seeing all purchasing activity in **AggieBuy** and in **KFS**
- Schedule the report to email automatically!

**Commodities Purchased Log (KFS) (FIS365)**  
FIS Decision Support >> Purchasing KFS >> Commodities Purchased Log (KFS)

Show Validation Rules

Required Field\* % = Wildcards are Allowed:

? = Field Description  
🔍 = Click for a Picklist

Start Order Date*	mm/dd/yyyy	🔍 ?
End Order Date*	mm/dd/yyyy	🔍 ?
Organization Chart		🔍 ?
Organization Code		🔍 ?
Vendor Codes %		🔍 ?
Commodity Codes %		List 🔍 ?
Account		🔍 ?
Sub Account		🔍 ?
Start Object		🔍 ?
End Object		🔍 ?
Start Sub Object		🔍 ?
End Sub Object		🔍 ?
Orgs to Show	<input checked="" type="radio"/> Subordinate Orgs <input type="radio"/> This Org Only	🔍 ?
Show Org Level 4	<input type="checkbox"/>	🔍 ?
Commodity Summary Report Only	<input type="checkbox"/>	🔍 ?
Default Descriptions Only	<input type="checkbox"/>	🔍 ?
Report Sort Order	1 2 3 <input type="radio"/> Commodity Code <input type="radio"/> Organization Code <input type="radio"/> Vendor Name	🔍 ?
Return Data To*	<input checked="" type="radio"/> Browser <input type="radio"/> Spreadsheet	🔍 ?

Process Query

# Reports to make Procurement Easier!

- On the AggieBuy home page, in the **Document Search** section is an **Advanced Search** link. Clicking on this link allows you to search for AggieBuy documents using many different search criteria

Search  [simple search](#)

**General Document Identification**

Document Number(s)

**Document Information**

Participant(s)  [?](#)

Owner  [?](#)

Date  [?](#)

Total Amount   [?](#)

Supplier  [?](#)

Business Unit  [?](#)

**Item/Product Information**

Catalog Number(SKU)

Product Description


Product Flags

<input type="checkbox"/> Controlled substance <a href="#">?</a>	<input type="checkbox"/> Energy Star <a href="#">?</a>
<input type="checkbox"/> Green <a href="#">?</a>	<input type="checkbox"/> Hazardous material <a href="#">?</a>
<input type="checkbox"/> Rad Minor <a href="#">?</a>	<input type="checkbox"/> Radioactive <a href="#">?</a>
<input type="checkbox"/> Recycled <a href="#">?</a>	<input type="checkbox"/> Select Agent <a href="#">?</a>
<input type="checkbox"/> Toxin <a href="#">?</a>	

Go to: [simple search](#) | [my requisitions](#) | [my purchase orders](#) | [my invoices](#)

# Reports to make Procurement Easier!

- The **Credit Card Payment Lookup (252)** in FIS Decision Support (DS) is the best report for seeing all purchasing activity on a **Procurement Card**
- Schedule the report to email automatically!

 **Credit Card Payment Lookup (FIS252)**  
FIS Decision Support >> Accounts Payable >> Credit Card Payment Lookup

Show Validation Rules

Required Field\* % = Wildcards are Allowed:

? = Field Description  
🔍 = Click for a Picklist

Fiscal Year	None	?
Fiscal Period Range	None through None	?
Transaction Date Range	mm/dd/yyyy through mm/dd/yyyy	?
Chart		?
Organization Code		?
Account	%	?
Sub Account	%	?
Cardholder Name	%	?
Departmental Information	%	?
Merchant Name	%	?
Request ID		?
Credit Card Payment Sort Order*	<input type="radio"/> Cardholder Name <input checked="" type="radio"/> Transaction Date <input type="radio"/> Transaction ID <input type="radio"/> Department Name <input type="radio"/> Merchant Name	?
Orgs to Show*	<input checked="" type="radio"/> Subordinate Orgs <input type="radio"/> This Org Only	?
Output Format*	<input checked="" type="radio"/> HTML <input type="radio"/> Rich Text Format <input type="radio"/> Spreadsheet	?

Process Query

## How Do I Buy...

Find the recommended form of payment for different commodities on the table below. Use the arrows on each column to sort by the different payment methods.

[Suggest a Category](#) | [Download this Table as a PDF](#)

Find/Highlight a Category:

Categories ▾	P-Card ▾	T&E Card ▾	AggieBuy ▾	Disbursement Voucher ▾	Purchase Order ▾	Other ▾
Abstract or journal publication fee	Preferred				Allowed	
Advertisements for recruitment, event, or promotion	Preferred				Allowed	
Alcohol <sup>2</sup>		Preferred				
Alcohol for research or lab work (not for consumption)			Preferred		Allowed	
Animals					Preferred	
Audiovisual equipment & supplies supplies (purchase)	Preferred				Allowed	
Audiovisual equipment & supplies (rental)		Preferred				
Award, recognition or prize (for employees) <sup>2</sup>	Preferred	Preferred			Allowed	
Award or prize (for non-employees) <sup>2</sup>	Preferred	Preferred			Allowed	
Cell phone purchase (with service plan)	Allowed					Preferred – IET
Books, CDs, DVDs, or other published media	Allowed		Preferred			
Break room supplies, such as coffee, cups, or water	Allowed		Preferred			
Break room appliances, such as microwaves or coffee maker			Preferred		Allowed	
Building repair & alteration					Preferred	

# The How Do I Buy Chart

- A fantastic way to see which procurement methods you should choose!



- AggieBuy: [ab-help@ucdavis.edu](mailto:ab-help@ucdavis.edu)
- Procurement Card: [purchasingcard@ucdavis.edu](mailto:purchasingcard@ucdavis.edu)
- T&E Card: [travelhelp@ucdavis.edu](mailto:travelhelp@ucdavis.edu)
- KFS: [fishelp@ucdavis.edu](mailto:fishelp@ucdavis.edu)
- Strategic Sourcing: [strategicsourcing@ucdavis.edu](mailto:strategicsourcing@ucdavis.edu)
- A&FS website: <http://afs.ucdavis.edu>





