

Procurement and Business Services Information

CBOG April 11, 2019

This update is posted at: <http://www.clemson.edu/procurement/faculty-staff/index.html> under the [Announcements](#) section.

1. **Supplier Registration:** Supplier Registration is moving from the initial implementation project that we have been going through for the past 16 months to simply a part of normal business process. No real change other than registration is now one of the early steps of the process to adhere to the new No PO, NO pay process. We have registered over 6700 suppliers since Dec 2017 (all of which will remain active and not have to register again for the foreseeable future!).
2. **No PO, No Pay:** The policy went into effect on 3/1 and should simply be considered the way Clemson does business. The idea being when you need to order or pay something, you do so by issuing a PO for the majority of these purchases. A few specific items that we wanted to provide feedback on related to the new policy and changes in processes:
 - a. Unauthorized Expenditure of Funds form – this is the form that should be used for “after the fact” invoice processing. It has the extra step in workflow simply to make Business Officers aware of activity in their area, but it should not be viewed as an “unauthorized procurement.” The form has very specific instructions and messaging for suppliers who are sending invoices without POs and if we are not utilizing it, it is going to create more work and take longer for the University to transition into this new policy and way of doing business. We somehow went from 40% of invoices being paid after the fact to 3% (if you go by the usage of this form, which is what should be being used). Please help us get folks to do the right thing as we change behavior.
 - b. Visitor travel – by far the number one question or issue that has come up with the new policy is how to treat visitors. As you are aware, the current process is that job candidate travel reimbursement follows the Non-Supplier Request process where we can pay these folks without having them register with us. All other visitor/non-employee travel is treated as a supplier where the person has to register and we issue them a PO. After much discussion we are looking at handling all this non-travel reimbursement through the Non-Supplier Request process. We trust this is great news for everyone (Procurement included)! **This change is NOT yet effective** but announcement with details of the new process are coming soon.
 - c. Direct Expenditures – when processing approved Direct Expenditures, users must complete the Direct Expenditure Request AND then process the invoice that it creates. Some people are not aware of this “two-step” process and only processing the request. Once the request is approved, it creates a draft invoice that must then be issued/approved. A couple of specific tips on these Direct Expenditures: 1) processing a Direct Expenditure does NOT mean the invoice is exempt from procurement rules – the user must still choose the appropriate procurement exemption (1-49) from the drop down or select a contract just like they do on a requisition; and 2) you can only process a Direct Expenditure if using one of the account codes listed as an approved account code in the policy. There is no way around this and you can’t slide one through...if the account code is not listed there, even if you feel it is an appropriate Direct Expenditure, it will not be processed and approved.
 - d. Added Approved Direct Expenditures – we have added/created a handful of new account codes or clarifications to help further navigate allowable Direct Expenditures. Examples include 7357 for payments to student orgs, 7351 for return of sale proceeds and 7047 for State Fleet leasing and maintenance charges.

e. New Procurement Exemptions – as noted above Direct Expenditures are different from Procurement Exemptions. However as we worked through several Direct Expenditures, it led us to create a couple of new Procurement Exemptions: - #16 Student travel paid direct to provider (hotel, airline, rental car agency, etc.) and #17 Payments to Recognized Student Organization (non-procurement). We also added Exemption #49 back to buyWay, so please use this exemption (non-procurement) if you are sure it applies; if you are not sure, ask first!

3. Amazon Business Clemson Account: As recently rolled out to p-card holders over the past couple of weeks, Clemson has entered an agreement with Amazon to create a single, Clemson University account with Amazon Business. All p-card holders that purchase from Amazon are asked to set up an account with Amazon Business through the invitations that have been sent out and do future University business through this account. By using this account, users automatically receive Amazon Prime shipping benefits at no additional cost to them, are able to clearly split out their personal versus business purchases by not having accounts created for both, and helps the University better understand our business with Amazon to further leverage and negotiate better deals for all our purchases.

Thus far, questions we have received are centered on feedback from cardholders, liaisons, and admins who are reluctant to change how they are currently managing Amazon accounts and p-card purchases. While we have approved some exceptions for cardholders with significant number of purchases being made by graduate students, all other card holders should be setting up and managing their own Amazon accounts, as this is a central principle/responsibility of being a p-cardholder.

Finally, just a reminder to everyone that procurement rules and processes still apply to Amazon purchases. We do NOT have a competitively bid contract with Amazon, meaning dollar limits apply to all transactions and we should not be purchasing items from Amazon where we have an existing contract and supplier in place already – i.e. office supplies and Staples.

4. VPL / In-bound Freight Contract: After a couple of years of working with VPL as our contract supplier to manage our in-bound freight business, Clemson will be terminating their contract at the end of June. While the contract did deliver positive savings on a majority of our in-bound freight costs, there were too many unexpected exceptions that created additional burden, confusion and work, that the decision was made to terminate the contract and go back to the process as it was for paying for shipping prior to VPL. There will be more specific communication coming out in the next few weeks to campus and suppliers, but to highlight, suppliers will stop shipping through VPL at the end of April. Our POs will be updated with new instructions. VPL will be responsible for invoicing us and we will have until the end of June to pay all past and overdue invoices to VPL.

5. P-Card Training: P-card training for new cardholders or existing cardholders needing a refresh of policies and procedures is given monthly by Lynn Crawford, the University P-Card Administrator. The next scheduled training is on 4/18 from 1-3:30pm at the ASB. Please contact Lynn for more information or to sign up.