Inbound Freight Services FAQs

What does Vantage Point Logistics (VPL) do?
VPL provides a freight management solution resulting in a significant reduction of inbound shipping costs. VPL’s program is designed to accommodate the unique financial and accounting requirements of the higher education market allowing the University to reduce its costs on inbound shipping. Instead of suppliers charging their own shipping rates, suppliers will use the University’s FedEx account number for shipments. FedEx will invoice VPL directly for these shipping charges, and VPL will in turn invoice the University for FedEx shipping charges (at contract rates which are very favorable to the University). VPL will prepare electronic files for each transaction which feed electronically into buyWays and link the purchase order to the VPL shipping invoice.

How will the VPL program lower our inbound shipping costs?
The University receives deliveries of product daily without the cost of shipping being previously negotiated; otherwise known as prepay-and-add freight. Suppliers typically charge the University carrier list price for these deliveries and are realizing a significant profit by marking up the shipping charges. VPL works with these suppliers to utilize the University’s heavily discounted FedEx contract when shipping products. This results in a savings to your budget over the suppliers’ prepay-and-add freight charges.

Will the VPL program change how departments place orders?
No. VPL handles all supplier communication regarding our program and all changes occur on the supplier side. These changes will be completely transparent to departments and orders can be placed in the same manner as always using buyWays.

What differences will I see once VPL is implemented?
Shipping charges will not be invoiced by participating suppliers but will instead be invoiced electronically by VPL. The VPL invoice will replace the shipping charge added to the PO and will reference the PO the product was purchased on. VPL shipping invoices can be viewed in a similar manner to managed print charges. Freight/Shipping costs will not be included in Procurement Bids. Bids will be evaluated and awarded based on the bid price for the product or services only. Departments will need to plan and have sufficient budget funds to cover freight/shipping cost prior to creating a Requisition for bidding purposes. VPL can be contacted @ 844-875-7444 or email LTL@vantagepointlogistics.com for a freight cost that can be used for budgetary planning.

What if the supplier doesn’t use VPL?
A report of all PO’s will be downloaded and sent to VPL, so if a vendor charges shipping other than through VPL; VPL contacts them to set up the process of charging shipping through VPL. Going forward suppliers will use VPL without you having to do anything.
How do charges appear in buyWays for my products and the shipping?
Departments will see the actual product charge from the supplier and the inbound freight charge (shipping) from VPL separately, with the VPL charge appearing in buyWays GL Transaction Detail Report.

Will the VPL program impact how we receive our deliveries?
No. Suppliers will continue to deliver products just as they always have.

What about the suppliers that do not charge us for freight?
VPL will recognize suppliers with contracts that include shipping in the delivered price (i.e. the cost of shipping is included in the product price.) However, VPL’s experience shows that many contract Suppliers still charge for shipping on the invoice. It is these suppliers that VPL will setup on our program to drive savings for your organization.

Will there be a lag time between when a vendor invoices for product and VPL invoices for us for the shipping?
Possibly, VPL charges are originated in the FedEx system when shipping labels are generated and are not billed until delivery is completed. VPL typically receives invoices from FedEx 5-10 days after the product ship date. Once VPL receives the FedEx data it is validated, allocated and invoiced in a timely manner.

Why do we sometimes see more than one VPL charge per PO?
There are two primary reasons for this:
- Some suppliers have multiple distribution centers located in different regions of the country and they attempt to fulfill orders regionally. If items are on backorder, or not available in the primary warehouse, they will ship separately from locations with in stock products. If all items are not in stock and ready to be shipped at the same time, they will pack and ship in the most efficient way to expedite orders.
- Some manufacturers do not consolidate orders. They package each of their products in “ship viable” packaging and each product sent will result in a unique shipping charge.

Why do we sometimes see a VPL shipping charge and a vendor assessed handling or environmental fee for the same PO?
Traditionally shipping fees and handling fees are bundled together on vendor invoices. In this scenario, you have no visibility to when a supplier is assessing a non-freight handling fee. When shipping is invoiced through the VPL program, the charges that remain on the supplier invoice are non-freight fees such as handling or environmental fees. Exposing these fees is an additional advantage of the VPL program. One of the benefits of the VPL program is the visibility provided into which suppliers have been charging miscellaneous handling fees. When shipping is invoiced by VPL, suppliers may continue to invoice handling fees that were once concealed in the “shipping and handling” portion of invoices. VPL can provide reporting that will help determine if the University is contractually obligated to pay these fees and provide the opportunity to reduce and/or eliminate these fees.

What should we do if a shipment is damaged or lost in transit?
If an order ends up lost or damaged in transit you should first contact the vendor and request a replacement. In most circumstances the vendor will issue a replacement at no additional charge. In those rare instances when a vendor pushes back on this request, VPL will gladly research and submit a damage claim on your behalf.
Will we be presented with the cost savings information with each shipment or monthly or yearly? VPL provides Savings Reports monthly.

What if a supplier refuses to use VPL? How is this handled and who will handle this?
Most of the initial vendor set up activity will be handled directly by VPL. Unfortunately, not every vendor will accommodate the University’s freight management initiatives. There are a variety of reasons for this. If you encounter a vendor that pushes back, feel free to contact VPL and they will engage the vendor directly on the University’s behalf.

Will shipments still be shipped in a timely manner with the additional volume for VPL?
Yes, VPL is contractually obligated to ship in a timely fashion and the University will receive the exact same level of service that FedEx provides all its customers today. FedEx makes no distinction in service level delivery commitments based on price or use of third party like VPL.

How will we know if the Vendor has not charged us freight and VPL as well? How quickly will the credit arrive if we have been charged twice?
VPL audits for this scenario using Accounts Payable data provided by the University. The instances where both the vendor and VPL charge freight on the same order are exceedingly rare. When discovered, VPL engages with the vendor to secure a credit. Credits are generally issued within a week of being identified.

What should we do if the supplier sends the wrong product?
If a supplier ships the wrong product to an end user, follow the same procedure that you have in place now. Call the supplier, tell them that what you received was not what you ordered, and ask them how they will rectify it for you. It is the responsibility of the supplier to correct the error.

How will a supplier know the appropriate shipment specifications?
When requesting a quote from a supplier on shipping, the expectation is that they will have all of the information they will need on the shipment since, with or without VPL, they would be responsible for shipping it. This includes weight, class, size, etc. If at any time you would like assistance with an LTL shipment, please call VPL @ 844-875-7444.

How does VPL bill freight for P-Card purchases?
For any purchase where the end user utilized a P-card to pay for the product, the associated bank sends a monthly statement containing those purchases to the customer. Using this information, the cardholders reconcile the purchases and update any chart fields required. At the end of each month Clemson will send VPL a report of purchases which VPL will use to match to the associated shipments. Shipping charges will be electronically invoiced through buyWays.

Does our relationship with VPL change any existing FOB or freight payment terms that currently stand with our suppliers?
No, FOB terms and freight payment terms are always between the customer and the supplier, and VPL has no input on that relationship. All of Clemson University’s orders are to be shipped FOB Destination.