

USC



UNIVERSITY OF SOUTH CAROLINA

USC Procure to Pay Policy Changes



Date: May 2016

Agenda

- Definition of Procure to Pay
- Introduction
- Code of Conduct
- Blanket Purchase Order
- Purchase Order Limits
- Additional Uses & Limits for Payment Requests
- Additional Webinars

Procure to Pay



Procure-to-pay is a term used in the software industry to designate a specific subdivision of the **procurement** process.

The **procure-to-pay** system is a fully integrated solution designed to support an end-to-end process that begins with goods and services requisitioning and ends with payments from the accounts payable system.

The planned effective date for these changes is June 1st 2016.

Introduction



Purchasing activities are conducted by the Purchasing Department and by academic and administrative departmental employees which include:

- obligations for proper transaction documentation
- fiscal responsibility
- ethical behavior
- adherence to federal and state government regulations
- compliance with University by-laws and policies.

All commitments for goods and services other than those referenced in this webinar must have the prior approval of the Purchasing Department.

Purchases not processed through the Purchasing department may be considered an unauthorized purchase.

Code of Conduct

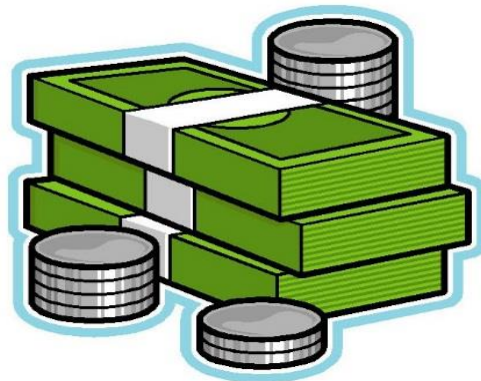
The officers, employees, and agents of the University shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements.

Splitting orders to avoid competitive methodologies is NOT permissible.



Review of Dollar Limits

- The Purchasing Department created 19,000 PO's 8 months after Go-live. Of the 19,000 PO's:
 - 65% of the total POs were less than \$5K
 - 56% of the \$5K were less than \$1K
 - 85% of the payments were less than \$5K.



Blanket Order Changes

- Blanket Purchase Orders (BPO)
 - Minimum of \$10,000 per year or more.
 - Minimum of 12 invoices/vouchers issued per Budget period/year each year.
 - When creating the requisition, begin with “Blanket Order” then a general description of the goods/services being purchased.
 - BPO is to be charged to one Account or one Accounting Distribution line per line item.
 - BPOs are valid for 1 year and will be closed out each fiscal year.



Purchase Order Limits

- Purchase Order Limits
 - Transaction must be equal to or greater than \$10,000.
 - All assets must use a purchase order (\$5,000 or greater).
 - All radioactive material must use a purchase order (no dollar limit).



Payment Request Limit Increase

- Payment Request Limit Increase
 - The limit for payment requests have increased to \$10,000.
- Payment Request Additional Items
 - Should be used when the P-Card is not accepted.
 - The payment request matrix is being updated to allow additional items to be paid using payment request functionality.
- Food
 - Normal department approvals are required prior to your purchase. Accounts Payable will forward the payment request to purchasing for review and approval.
- Assets
 - Cannot use payment request regardless of amount.

General Accounting will be hosting Payment Request Webinars later in May that will detail all new Payment Request functionality.

Questions & Open Discussion



- If you have questions after this webinar, use the [Contact Us](#) page to email Purchasing or General Accounting.

Upcoming Webinars

- Requisition Process Updates
 - 5/11, 5/12, 5/17, 5/18
- Payment Request Updates
 - 5/16, 5/19, 5/24, 5/26
- Catalog and Category Code Changes
 - 5/17, 5/18, 5/23, 5/25

Thanks for your participation

