Purchasing 101

Training Objective:

• Give a basic overall view of the purchasing process (Req to Check)

• Help us by helping you. Things that can be done to expedite the requisition process.

• Discuss upcoming end of the fiscal year processing
What are University Purchasing Methods?

If it can’t go on a DPV…

…and it can’t go on a P-Card…

If it can’t go on a DPV…

…it must go on a requisition!!!

And it cannot be ordered by the department.
The DPV (Direct Payment Voucher)

![DPV Form]

**MIDWESTERN STATE UNIVERSITY**

**DIRECT PAYMENT VOUCHER**

**DATE:**

**DEPARTMENT:)**

I certify that there are sufficient funds to cover this payment request if (listed, checked) and that the reimbursement or payment corresponds to every particular with the terms of my budget restrictions. I certify that this purchase was made on behalf of the University.

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<th>Department</th>
<th>PO#-Funds-Organization-Program/Description</th>
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<th>Vendor Name</th>
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<th>City, Zip</th>
<th>E-rate Vendor #: Federal Tax ID or Social Security No.</th>
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<tr>
<th>Service</th>
<th>Delivery Date</th>
<th>Description of Goods or Services - Include Invoice Number</th>
<th>Quantity</th>
<th>Unit Price</th>
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**PLEASE PROVIDE MAILING INSTRUCTIONS IN THE ABOVE SPACE**

**TOTAL:****

Please attach CH-1016A for supporting documentation. Payment to a vendor should not be made from an invoice copy.

For claims for business purpose reimbursement, both the request form (CH-1016A) and the paid receipt must be submitted with the Entertainment Expense Form.

For other reimbursement to individuals, proof of payment to the individual must be attached.

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<th>Approved: Budget Unit/Account</th>
<th>Date</th>
<th>Approved: Senior Administrator</th>
<th>Date</th>
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<th>NAME AND EXTENSION OF PERSON TO CONTACT</th>
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<th>Approved: Business Office</th>
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<tr>
<th>CALL THE BUSINESS OFFICE</th>
<th>ACCOUNT CODE</th>
<th>Date</th>
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**DISTRIBUTION:** 1 Copy - Business Office 1 Copy - Department's Copy

**Rev. 01.58**
Acceptable Use of the DPV

The following have been identified as items that may be presented directly to the Business Office for payment using a Direct Payment Voucher (DPV). These items do not involve the Purchasing Office or require a Purchase Order or Purchase Requisition to order from the vendor:

- a. Registration fees for conferences, seminars and workshops (These can be paid for using the University Procurement Card or processing a DPV).
- b. Umpire/Officials fees for referring sporting events.
- c. Memberships (These can be paid for using the University Procurement Card or processing a DPV).
- d. Overnight hotel lodging (paid on behalf of an official University guest).
- e. Fees for performers and entertainers.
- g. Fees for Guest Lecturers.
- h. Subscriptions and Periodicals (unless a Purchase Order is required - may also be purchased using the University Procurement Card).
- i. Filing fees for work to be performed on buildings (i.e., Texas Department of Health).
- j. Professional registration/license fees (excluding software licenses).
- k. Postmaster-Permit, bulk rate fees and meter charges.
- l. Insurance premiums.
- m. Bus charters (unless a Purchase Order number is required by the company).
- n. Publications and audio-video material (prepared materials only).
- o. Miscellaneous fees and assessments (i.e., accreditation, royalty, copyright and appraisals).
Procurement Card

Cardholders must adhere to Policy & Procedures regarding the use of the card.

You **cannot** use your procurement card to make a purchase for any of the following reasons:

• The purchase doesn’t follow P-Card Guidelines
• Exceeds your established credit limits
• Vendor does not accept a credit card
Purchase Requisition

Requisition = Request

The “REQ” is an internal document & identifies the following:

• Who placed the order (end users)
• The vendor the order is to be placed
• What you want to purchase
• How you wish to pay for the order

Along with demonstrating approval
MSU Purchasing is Governed by:

- Texas Government Code
- Texas Education Code
- Texas Human Resources Code
- State of Texas Procurement Manual
- Midwestern State University Policies & Procedures
- Midwestern State University Fiscal Policy & Procedures
- Midwestern State University Purchasing Manual
- Midwestern State University Procurement Card Guide
The Purchase Order is generated by the Purchasing Department and sent to the vendor. It's the official document that actually places the order.
Purchasing Methods (RECAP)

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…and it can’t go on a P-Card…

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Tips for Completing Requisitions

- Information Technology purchases require quotes & signature approval from IT
- Requisitions using HEAF funds require an additional level of approval
- Requisition under the Provost’s hierarchy require Dr. Stewart’s signature approval
- New Vendors must submit a completed and signed W-9 to be set up in Banner
- Purchases paying from state and local funds must be processed using separate requisitions.
- Summarizing the purchase in the commodity description of the REQ helps identify it easier in Banner (as opposed to “See Attached Quote”)
- Using “View Document” in Banner Self Service can help you track your purchase. Native Banner users can use FOIDOCH
- “View Document” can also help you identify the REqs you have completed
- “Quotes” and clear and concise “Specifications” are key to ensuring you get exactly what you require
Basic Purchasing Time Line

1. **Dept Defines Need**
   - Dept Creates Purchase Requisition

2. **Time Period from Definition of Need to Date Order is Received**
   - Department forwards request for signature approval
   - Purchasing receives completed requisition
   - Purchasing reviews purchase requisition
   - Purchasing creates purchase order and places order with vendor

3. **Time Period May Vary Depending on Several Variables**
   - Vendor ships order
   - Vendor sends department invoice for payment
   - Purchasing processes purchase order for payment
   - Purchasing forwards invoice to business office
   - Business office pays vendor

4. **Time Period Subject to Texas Government Code 2251 (State of TX Prompt Payment Law)**
   - Time period may vary depending on several variables
   - Time period maybe 2 weeks or more
   - Time period varies as purchasing method is defined.

Note: Contacting the purchasing department as soon as possible can help in making your department’s purchase in a timely manner.

Subject to Texas Government Code 2251 (State of TX Prompt Payment Law). Time period may vary depending on several variables. Time period maybe 2 weeks or more. Time period varies as purchasing method is defined. Contacting the purchasing department as soon as possible can help in making your department’s purchase in a timely manner.
End of Fiscal Year Purchasing

Fiscal Year 14
- Friday, August 29, 2014
- Saturday, August 30, 2014
- Sunday, August 31, 2014

Fiscal Year 15
- Monday, September 1, 2014
- Tuesday, September 2, 2014
- Wednesday, September 3, 2014
Whom to Contact

• Stephen Shelley @ X 4110 – Bids, Contracts

• Camille Smith - @ X 4111 – Accounts payable questions such as invoices, purchase order balances

• Deborah Bland - @X 4109 – Procurement Cards

• Danny Sandoval - @ X4697 – Warehouse and surplus property questions

• Tracy Nichols - @ X 4277 – Contracts and routing forms

• Joe Mrugalski –@ X 4095 Purchase Requisitions

• Lori Case – @ X 4041 Bids and orders that are renewed annually
Purchasing 101
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