Advanced Budget & P-Card Training

Professional Development & Enrichment Conference
January 2017
Overview:
- Budget Administration
- Signing Authority
- Procurement Cycle Tips
- Use Tax vs. Sales Tax
- Reclass/Transfers
- P-Card Advanced
- Q&A
Budget Administration

Section I
Budget Administration

• When in doubt…
• Three clicks…
• Why can’t I see activity for a specific project/department?
• Personalization, sorting, and potential problems
• myPugetSound Financials quick links vs. the full Financials pillar
• Need additional data?
• Where can I get help?
Signing Authority & Approvals

Section II
## Types of Signature Authority

<table>
<thead>
<tr>
<th>Budget Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A budget manager will automatically have online requisition creation, disbursement approval authority, authority to move and reclassify budget and actuals, and viewing access to his/her SpeedCharts.</td>
</tr>
<tr>
<td>• A budget manager may delegate these permissions.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Disbursement/Purchase Order</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Provides users approval authority for requisitions (eProcurement), disbursements, invoices, or other forms of disbursement requests.</td>
</tr>
<tr>
<td>• <strong>Level 1</strong>: up to $1,000</td>
</tr>
<tr>
<td>• <strong>Level 2</strong>: up to $5,000</td>
</tr>
<tr>
<td>• <strong>Level 3</strong>: up to $15,000</td>
</tr>
<tr>
<td>• <strong>Level 4</strong>: up to $50,000</td>
</tr>
<tr>
<td>• <strong>Level 5</strong>: up to $250,000</td>
</tr>
<tr>
<td>• <strong>Level 6</strong>: &gt;$250,000</td>
</tr>
<tr>
<td>(Only one person can be designated at a level)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Procurement Card</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Provides users authority to approve (or decline) p-card charges for cardholders in their supervision.</td>
</tr>
<tr>
<td>• All cardholders are assigned both a primary and secondary/backup approver in the event their primary approver cannot complete this task.</td>
</tr>
<tr>
<td>• Approver assignment must not cause a conflict of interest.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>• This authority is the ability to enter into contracts and to sign and deliver contracts in the name of and on behalf of the university.</td>
</tr>
<tr>
<td>• Each delegation is specific to a division or department’s agreements, with a designated dollar threshold and length of agreement.</td>
</tr>
<tr>
<td>• Contract authority is ultimately granted by the Board of Trustees to Cabinet members who further delegate this authority. Additional training is provided when one obtains this authority.</td>
</tr>
</tbody>
</table>
Steps of the procurement process:

- Secure a quote
- Enter a requisition
- Convert requisition to purchase order (PO)
- Physically receive goods and evidence receipt in system
- Receive and enter invoice – timely invoice submission is critical
- Issue check

Each step of the procurement process takes a similar amount of time, regardless of the purchase amount.

When possible, consolidate orders to $50 or more with a specific supplier (this includes Complete Office).

When order is placed without PO, no need to set up PO after the fact

Procurement Tools
## Approval Framework:
Routing tables maintained in PeopleSoft Financials that drive the approval structure for requisitions. Only one person may be entered at a specific level. Budget manager or cabinet member can request changes or additions.

### Approval Framework:

<table>
<thead>
<tr>
<th>ROUTE</th>
<th>LEVEL1</th>
<th>LEVEL4</th>
<th>LEVEL5</th>
<th>LEVEL6</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of 01-06-2016</td>
<td>Approver 1 - Equates to Disbursement Authority up to $1,000</td>
<td>Approver 4 - Equates to Disbursement Authority up to $50,000</td>
<td>Approver 5 - Equates to Disbursement Authority up to $250,000</td>
<td>Approver 6 Equates to Disbursement Authority of $30MM</td>
</tr>
<tr>
<td>Approval Routings Spreadsheet</td>
<td>3068</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. UP Department 1000 (President's Office)
2. UP Department 1100 (Presidential Campaign Team)
3. UP Department 1200 (President's Residence)
4. UP Department 1300 (Trustees)
5. UP Department 2010 (Office of Communications)
6. UP Department 2011 (Aches)
7. UP Department 7100 (Inventory-Central Stores)
8. UP Department 7101 (Office of Finance)

Live Demonstration: The Life Cycle of a P.O.
Procurement Cycle

Procurement Services: Online Tools
http://www.pugetsound.edu/about/offices-services/office-of-finance/procurement/

• **About Us:** What is the role of Procurement at Puget Sound?

• **For Suppliers:** Specific section for supplier to learn about doing business with Puget Sound.

• **For Faculty & Staff:** Internal information for savings opportunities, links for accommodations and shuttle services (requires secure login).

• **Training & FAQ:** Helpful job aids (video versions must be viewed in Firefox).
Use Tax vs. Sales Tax

Section IV
Use Tax vs. Sales Tax

• The university is tax-exempt for federal taxes only.

• The university is *not* exempt from sales or use tax due on not-for-resale purchases used in Washington State.

• If sales tax is not itemized at Washington’s tax rate, the university is legally obligated to self-assess and remit use tax to the State.
Use Tax vs. Sales Tax

- Use tax is a tax on the use of goods or certain services when sales tax has not been paid.

- Goods used in this state are subject to either sales or use tax, but not both.

- Use tax compensates when sales tax has not been paid. Goods purchased on the internet (Amazon, etc.).

- Many of these companies collect Washington’s sales tax, but if the company from which you order does not, or does not collect the correct amount of tax, you owe the use tax.
What do I need to do about use tax?

No sales tax on receipt? Please mark the sales tax and use tax fields as appropriate on p-card transactions in Wells Fargo.
What do I need to do about use tax?

Vendor payment $850.00 via P-Card:
What do I need to do about use tax?

Total budget impact - $930.75

<table>
<thead>
<tr>
<th></th>
<th>Date</th>
<th>Type</th>
<th>Description</th>
<th>Code</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>08/28/2015</td>
<td>Journal</td>
<td>Commercial Card Expense Report</td>
<td>0000020183</td>
<td>80.75</td>
</tr>
<tr>
<td>2</td>
<td>08/28/2015</td>
<td>Journal</td>
<td>Commercial Card Expense Report</td>
<td>0000020184</td>
<td>850.00</td>
</tr>
</tbody>
</table>
What do I need to do about use tax?

- Please manually write “Use Tax” on invoices or disbursement requests sent to Accounts Payable when appropriate.

- Be aware that Accounts Payable invoice amount will be increased by amount of use tax assessed.
What do I need to do about use tax?

Supplier payment $85.50 via A/P
What do I need to do about use tax?

Budget impact - $93.62

See details in Purchasing & Payables Inquiry:
Reclassifications & Transfers

Section V
Reclassification/Transfer Requests

To move funding (budget or actual) be sure to include the following items within your email to finance@pugetsound.edu:

- Amount
- Date of transaction (if applicable)
- Supplier and/or activity description (if applicable)
- Document number (if applicable)
- Location of current revenue/expense (speedchart.account.chartfield1(if applicable))
- Desired location of revenue/expense (speedchart.account.chartfield1(if applicable))
- Detail reason for the move
- Must copy the budget manager(s) for the impacted (current and desired) budgets on the email request
1) Reclassification – to reclassify a current transaction:
Example: “Please reclassify $350.00 charged by Academic Impressions dated 11/28/15 (see below) from 107101.61010-Office of Finance-Materials to 107100.61010-Inventory-Materials. These inventory materials were incorrectly coded at the time of purchase and need to be charged to the correct department.”

2) Transfer – to transfer funds in support of an transaction that has or will happen:
Example: “Please transfer $500.00 from 107101-Office of Finance to 104666-Astronomy to partially support Senator Bail Organan’s airfare travel to Alderaan in February.”
New Developments in P-Cards
Section VI
New Developments: Fraud Prevention

- Fraud prevention techniques
  - Card-present vs. card not present fraud
    - Card-present example: pickpocketing
    - Card-not present example: Target, Sony electronic theft
    - Wells Fargo policy
  - Personal protection
    - Online purchase notification now available
    - Regular checks of Wells Fargo account, awareness of email contact
  - University protection
    - Low monthly credit limits
We recently noticed (a) suspicious transaction(s) made to your account ending in

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
<th>Merchant Name</th>
<th>Location</th>
<th>Description</th>
<th>Status</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/27/2015</td>
<td>1.00</td>
<td>CHEVRON FOOD MART</td>
<td>WENATCHEE</td>
<td>WA US AUTOMATED FUEL DISPENSER</td>
<td>DECLINED</td>
<td>90</td>
</tr>
<tr>
<td>12/27/2015</td>
<td>1.00</td>
<td>CHEVRON FOOD MART</td>
<td>WENATCHEE</td>
<td>WA US AUTOMATED FUEL DISPENSER</td>
<td>APPROVAL REVERSED</td>
<td>90</td>
</tr>
<tr>
<td>12/27/2015</td>
<td>1.00</td>
<td>CHEVRON FOOD MART</td>
<td>WENATCHEE</td>
<td>WA US AUTOMATED FUEL DISPENSER</td>
<td>APPROVED</td>
<td>90</td>
</tr>
<tr>
<td>12/27/2015</td>
<td>1.00</td>
<td>CHEVRON FOOD MART</td>
<td>WENATCHEE</td>
<td>WA US AUTOMATED FUEL DISPENSER</td>
<td>APPROVAL REVERSED</td>
<td>90</td>
</tr>
<tr>
<td>12/27/2015</td>
<td>1.00</td>
<td>CHEVRON FOOD MART</td>
<td>WENATCHEE</td>
<td>WA US AUTOMATED FUEL DISPENSER</td>
<td>APPROVED</td>
<td>90</td>
</tr>
<tr>
<td>12/27/2015</td>
<td>24.00</td>
<td>10BELOW</td>
<td>WENATCHEE</td>
<td>WA US DRINKING PLACES</td>
<td>ALCOHOLIC BEVERAGE</td>
<td>APPROVED</td>
</tr>
<tr>
<td>12/27/2015</td>
<td>29.00</td>
<td>10BELOW</td>
<td>WENATCHEE</td>
<td>WA US DRINKING PLACES</td>
<td>ALCOHOLIC BEVERAGE</td>
<td>APPROVED</td>
</tr>
</tbody>
</table>

*Please contact us as soon as possible to confirm whether you authorized the above transaction(s). You can reply all to email or call us at 800-932-0036, 24 hours a day, 7 days a week, for assistance with this request. If you did not authorize these transaction(s), please provide the following information in your reply: 
New Developments: Pending

Pending Transaction Notifications
• Access via the Cycle-to-Date screen
Cardholders can now complete the following on the go:

- Add/edit out-of-pocket expenses
- View available credit
- View posted card charges
- View declines
- Upload receipts

Available for Apple and Android phones