Monthly Campus Buyers Meeting
December 2, 2015, 1:30 – 3:00 pm
Conference Call/Web

Procurement Services Department Attendees:

Karen Meade, Meagan Torres, Terry Thun, Stephanie Shafer, Todd Harris, Kristi Morales, Jackie Mendez

1. **Welcome and Introductions**

    Karen Meade opened the meeting at 1:30 pm and welcomed all. Attendees introduced themselves.

2. **New Process of IT Governance for large software (MT)**

    Enterprise software for managers or staff that have software components. All software will be presented to IT for review. They have a large list. VC will be informed of type of enterprise level of purchases. Will work issue with CIO & Ann. So they can gauge the impact to UCM. Effects bandwidth of information flowing.

    Sometimes it's not free in its entirety. T&Cs need review. Compliance with Regental policy is important. VC should be aware and vetted through IT and approved. Send e-mail back up. Journey Ed is "off the shelf" and a good place to find what you need.

    KM – This may sound familiar: Difference is that Ann is taking a much more active role in reviewing software licenses. MT agrees top level is setting priorities so time is not wasted. Vendors selling products should be sent to MT. It may not be something to consider.

    KM – No lunches are allowed with vendors due to decision making powers. If there is a large software purchase, vendor demos should not be done until RFP process.

3. **Premature closing of POs (TT)**

    Reminders, when doing reconciliation make sure all invoices are in and paid. Using H&I Reports.

    KM – Do investigation up front prior to closing PO's.

4. **Records Retention vs. UC Terms & Conditions Of Purchase**

    In the past 5 years for audit purposes. Recently changed language to PO for 7 year retention to match the UC T&Cs.

    State and Fed. Funds requires to 7 years. Differs from records retention policy. KM contacted Kathleen Quinaville (sp?). She will recommend changing it back to 5 years.

5. <u>**Unauthorized Purchase Form**</u>

Mike Riley provided excerpt from policy it seemed more people needed to sign off on this, such as controller. The Dept. should answer the 2nd question on the form.

KM pulled up form on the web. Form is written in a way that it's for the unauthorized purchaser to complete. The 2nd should be what the Dept. is doing to change what they are doing. Form does require revision. Signature blocks will need to be updated. The CIO can sign off or Librarian. Requires Controller's signature. KM to see if this was delegated to Procurement Services. KM wants to verify we're compliant with policy.

Cindy Roberts – Is there a threshold that it does not need to be sent to Procurement. ($500) Dept. Buyers did not want the authority transferred under $500. with allowable costs. Her AVC does want to see these, even if not signing.

KM – Opened conversation to asking Dept. Buyers if they would like delegation. Stated VCs are supposed to know about violations. We want to liberal in interpreting policy, however still comply. Is anyone experience push back on signing. No prob. in Engineering. KM wants no bullying going on. Cindy has had some push back when making them fill it out on their own because it's relatively scary. Karen requested e-mails (titled UPF) on any concerns to bring up to Mike Riley when she meets with him.

6. <u>**Department Buyer Authorization**</u>

Dept. Buyers cannot create a blanket purchase order. You can lose your delegation which will put your dept. in need. Procurement can issue for lengthy terms. Release orders should be done prior to work being performed unless release order states after as this could be an audit finding.

Emergency requests are coming through. We were lenient during 11/4/15 incident. However regardless of who is asking to do something outside of Chancellor or Michael Reese. Due to delicate situation we were lenient. Remind staff that Dept. Buyer or Procurement should be notified.

? from Engineering – Lab Coat cleaning on a weekly basis for A class order from before hired 5 years ago. Small value for machine shop. Weekly cleaning for Mission Linen. $500.00 in 3 years. It will work similarly however within audit requirements. Dept. to work with SS/JM.

Cindy Roberts – Emergency request on ProCards – Not Services! Confirmed by Karen.

KM stressed compliance on delegation. Know what you're supposed to do or not. Read the blanket to make sure only items spelled out are being purchased.

7. <u>**Update on Expanded Merchant Category Code (MCC) for PCard**</u>

Good news. 2 significant changes. More codes open up for suppliers. Management at cardholder level. If declined TT or JM can look at right away to clear. If it's a merchant code issue, procurement can open up the code right away. This should reduce the number of Pcard orders to send it to Procurement to be done. Only those over transaction limit should be coming to Procurement now. Bank was declining due to security filters.

KM pointed out e-mail address that were provided on agenda that goes to multiple people.

8. **Costco Account (JM)**

Reopened. Lot of factors: New representative was not familiar with service. Net 15 extended to 30 days. Past due on invoices were an issue. Make sure that as soon as we return to dept. we submit the itemized receipt for payment because it does affect the entire campus. Working with Food for Less in Merced, they are now accepting PO's. It will work the same way as Costco. Employees and faculty to pick up supplies, must show Cat Card. KM asked - Could student pick up if named on PO? For now just staff and faculty to see how this program is working. Also net 30 days. Working on Atwater and Fresno locations to be opened up.

Why is only food allowed on the Costco account? When set up originally it was just for events: Food, paper products, flower, plastics. Example: Camera purchase. Terry does recall exception items being purchased on a case-by-case basis. Engineering bought tool chests. Student services were able to purchase other items and not questioned by Costco.

9. **Foreign Software Purchases (TH)**

Reminders excluding purchases to Canada with exception of advertisements and printed materials.

Software license purchase (no exceptions): There is a process with UCLA in order to make sure we don't have to pay royalty fees.

Sometimes finding a US reseller should be considered to make purchase because it will save time even if paying extra.

School of Engineering? – Does UCLA still have to vet Canada software purchases? Yes, there is no exception for software purchases.

LVO from Canada the issue is royalties and not sales tax.

10. **LVO restrictions**

KM reviewed on website: Purchases Requiring Special Approval and/or Restricted from Low-Value Departmental Orders.

11. **Non-agenda item**

Shipping issues for orders. If department orders please enter dept. buyer as requestor name vs. delivery person name. Perfect scenario: Requestor should be the person the delivery should go to. Dept. Buyers should not receive shipments due to breach in checks and balances. Three parties should be present: Buyer, Receiver, and Invoicing/Payment.

KM will send out message to MSO and Dept. Buyers.

Procurement will need to follow up with Office Depot about what may be put in for.

Todd suggested checking the default values and keeping it blank.

Please e-mail Stephanie details of shipping information.

12. <u>Roundtable</u>

Contract employee vs. go through HR not outside agency to have access to the financial system.

Temp. agency vs. consultant group.

UCLA policy since it's their financial system.

IT is using UCM policy and they have live scan/background check.

Karen Meade called the meeting to an end at 3 pm.

Minutes prepared by Karen Meade