Welcome
FS Updates Meeting
Thursday April 26, 2018
Please Sign In
AGENDA

ACCOUNTS PAYABLE

- AP Forms Updates
- Foreign Vendor Payments
- Local Vendor Food Purchases
- Invoice Requirements
- Invoices Attached to POs
- PO Corrections
- Moving Allowance FSS PPS 03.19
- Artwork Purchases
- SAP – How do I…?
AGENDA

TRAVEL

- Travel RFP For A Single Travel Agency
- New Embassy Suites Room Rates
- The REAL Act
- Foreign Travel Insurance
- Encumbrance Review Process
- LOGI Update – SAP Past Due Notices
Questions and Answers

- Wait for the microphone so all can hear the question.
- When you ask a question, please state your name and department. Let’s all try to get to know each other!
- All questions are “recorded” and the answers published with this presentation on the Procurement website.
- Notice of publication on the website will be sent to all.
- Presentations are good training and reference guides for attendees and other staff who weren’t able to attend.
Staff Introductions/Updates

- Sydney Manasco – Accounts Payable Coordinator
- Dawn Kiger – Accounting Clerk II
- Brittany Baker – Procurement Analyst
- Krista Salas – Buyer II
- Lauren Clawson – Contract Specialist
- Carmelita Mendoza – Tax Compliance
AP – Form Updates

- **AP-12 Form** [RSS 021518A](#)
  - Form used for authorization for alcohol, flower, food and/or refreshments (including all employee events).
  - Clarified process for Employee Appreciation Events.
    - If the funding source is Fund 20000110YY and the cost center is 1040100001, then the AVP of Financial and Support Services Planning may approve.
    - Cabinet Officer approval is not required with this funding.

- **AP-12 Form** Always use the most current version.
AP – Form Updates

- AP-9 Form  RSS 021518B
  - Used for Student Organizations payments.
  - Clarified process for Cash Advance.
  - Reconciliation and receipts are required to clear the advance.
  - Unspent funds must be returned by the student.
  - The advisor, student and club are responsible for retaining itemized receipts, deposit tickets and reconciliations.
- AP-9 Form  Always use the most current version.
AP – Form Updates

- **AP-3 Form**  [RSS 042418A](#)
  - Form used for a Foreign Wire Transfer payment.
  - Updated for new banking requirements on wire payments.
  - Changes stem from efforts to minimize wire fraud – it is exploding!
  - All data must be completed or the wire system will not process the payment (delay to the vendor).
    - Vendors encouraged to check with their bank when completing the form.
    - Email address the data is sent from must match SAP data and be attached to the e-NPO or invoice sent to AP.
  - Once the wire is sent, there is no way to get the money back.
- **AP-3 Form**  Always use the most current version.
Foreign Vendor Payments

- **RSS 042418A**

  - **Check** – must have an email from the vendor that their bank will cash a US bank check.
    - Sent from email address must match SAP email address.
    - This is the most cost efficient and preferred method.
    - Exception is Mexico. Checks are not mailed to this country.

  - **P-Card** – will need to contact Purchasing for account modifications to make a foreign “purchase”.

  - **Wire Transfer** – requires more time due to increased fraud controls and financial data requirements.
    - University pays a foreign wire transfer fee – and vendors can be charged a fee by their bank.

  - **Direct Deposit (ACH)** is not an option unless the payment is to a USA bank. No foreign banks allowed.
Foreign Vendor Payments

- Foreign Vendor Payments and Tax Consequences

- **RSS 040618B**

- Foreign payment requests must be reviewed by the Payroll and Tax Compliance Office before AP can process.
  - Contact payroll@txstate.edu before you attempt to submit an e-NPO payment request information.
  - Review involves what was purchased and if a tax treaty exists with the country.
    - This determines if tax is applicable and the tax rate.

- Different processes for e-NPOs, P-Card and PO invoices.
Foreign Vendor Payments

- Department will be given the tax amount and must decide to “gross up” or “deduct” if an e-NPO.
  - Gross Up will increase the expense to the department. Vendor will receive the amount on the invoice.
  - Deduct has no additional expense but the vendor will receive a lesser amount than on the invoice.
    - The tax amount is deducted from the invoice amount.

- Tax Office will inform the department of the tax amount and also the GL (201201) and Fund (9001421000) that must be used on the e-NPO payment doc. No Cost Center needed on this.
Foreign Vendor Payments

- If paying via e-NPO, add the line on the document as provided by the Tax Office. Enter the GL, Fund and Amount. Enter the tax amount as a negative number.
  - Attach the email from the Tax Office to the e-NPO document.

- If paying with a P-card, contact Purchasing for directions.

- If paying on a PO, AP will route the invoice to the Tax Office for review.
  - Payment will be adjusted as needed based on their advice.
    - AP will attach the email from the Tax Office.
    - If the PO needs an adjustment for the tax expense amount, AP will notify the department for the change.
Local Vendor Food Purchases

RSS 040618A

Payment Methods:

- PO – provide before the event or at the time of business meal. Vendor will invoice the University.
- Pay with Department P-Card.
- Pay personally and seek reimbursement.

It is not appropriate to conduct a business meal at a local vendor and when leaving tell them to “charge it to the university”.

Vendor invoices must meet requirements for any invoice to be paid. Itemized cash register receipts are OK for reimbursements, but do not provide the necessary information for a PO payment.
Invoice Requirements

- Vendor Name and address (Must match SAP)
- Bill to: Texas State University
- University Address or PO Box 747 (AP)
- PO Number
- If paid by check, then the Remit Address must match SAP address (this may be the payee link address).
- Itemized listing of purchased/billed items
- Department name and contact (if possible)
- Email to payables@txstate.edu or mail to:
  Texas State University
  PO Box 747
  San Marcos, TX 78667-0747
Invoices Attached to POs

- **RSS 042318A** Effective May 1, 2018 you will be able to access the PO to view the invoice for the following types of payments. AP will no longer send these invoices.
  
- Amazon
  
- Drinking water/dispenser rentals
  
- Subscriptions
  
- Registrations
  
- Recurring monthly charges
  
- Temporary Staff

How to View an Invoice on a PO
PO Corrections

- PO is set up for one item but actually should have been for multiple items and quantities.
- AP does not know more items will be billed.
- AP will pay the invoice after the GR for the item on the PO has been done.
- The PO will be closed.
- If another invoice is received on the PO, the department will have to create a new PO to pay the invoice – or pay e-NPO. Either way, always reference the original PO.
- Point is – make sure your POs are created with all items listed and the correct quantity for each.
- Frameworks are for services; Locals for goods.
Moving Allowance

- FSS/PPS 03.19   RSS 042418C
- New Tax Cuts and Jobs Act eliminated reimbursement of moving expenses
- Now treated as a moving allowance and is taxable income to the employee.
- Payment is net of payroll taxes.
- No receipts required and AP does not issue payment.
- **AP-16 Form** (watch for the form name change)
- PCR process coming within the month for the new payment type related to this.
  - Special Payment/Moving Allowance.
ARTWORK PURCHASES

- Artwork as two asset categories:
  - Depreciable - $5,000 or more capital threshold.
  - Non-Depreciable - $0 threshold. These are rare.

- Must always create a PO for artwork; no e-NPOs.

- Contact Materials Management to obtain asset number – cj02@txstate.edu or X 5-8724.
  - They will confirm if an asset or not.
  - This will determine the GL that will be used on the PO.

- Cannot process as an e-NPO for payment.
  - True for ANY asset purchase.
  - Never use an e-NPO for down payments on assets or any costs associated with an asset purchase.
SAP – How do I …?

- How to View Vendor Payments
- How to View an Invoice on a PO
- Change FBL1N Screen Defaults
- Search for a Vendor Number/Record
- How to Use Z_MIGO To Create a GR
- How to View Status on Approvals for Travel Requests (page 14)
- How to View Status on Approvals for e-NPOs (page 30)
- How to View Approval for Funds Commitments (page 7)
RFP issued for a single Travel Management Company (TMC) aka Travel Agency.

Closing date was April 6, 2018.

Review targeted to be completed by April 30, 2018.

Watch for the announcement on which company has been selected and the transition plan to the new TMC.
New Embassy Suites Rates

- RSS 022818A
- New rate is lowered to $129 per night plus taxes.
- Use the corporate account to avoid the 6% tax.
- Rate is not available on weekends during football season, during “special events” or when rooms are sold out.
- See the RSS for Embassy contacts if you encounter a problem.
The REAL Act

- **RSS 041718A** Establishes minimum-security standards for identification used to access certain federal facilities, nuclear power plants and **boarding federally regulated commercial aircraft.**

- Not all states are compliant with the upgrades required for state issued identification cards.

- Driver’s License format must be compliant with the REAL Act to be used.

- Passports are compliant.

- Make sure your traveler’s know to verify their identification method is compliant and that the name on their boarding pass matches exactly to the name on the identification document.
Foreign Travel Insurance

- Arthur J. Gallagher & Co (Austin, TX)
- Insurance program for TSUS Foreign Travel.
- Presentation on May 2 at 10:00 – 11:30:
  - Alkek Library Rooms 105/106.
  - Overview of the insurance program benefits.
  - International SOS will also present an overview of the support services for situations impacting travelers while abroad.
- Inform your staff so they plan to attend if they have any international travel plans for themselves or students. Limited to 50 employees.
  - Email gao@txstate.edu to reserve a spot.
FY 2018 Travel Encumbrances

- April is the 8th month of the fiscal year – good time to get in the habit of reviewing your open encumbrances. Time to act is NOW!!!!!
- Use the ZOPEN_ENCUMBRANCE transaction in SAP GUI to review open travel encumbrances.
  - Note that this report will display all open encumbrances, not just those related to travel, unless you specify the Travel GL Matrix numbers in the “Commitment” field, and include the estimated cost GLs: 710096, 710097, 710098.
  - The document numbers will begin with “73” for Travel Requests and “2014” for Funds Commitments and 31 or 45 for POs.
- If you use the Travel GL numbers in the Commitment field you will only get encumbered Travel documents.
LOGI Update

- Process is working well – Thank you!
  - Notice at 31 days past due.
  - Notice at 45 days past due.
  - Notice at 53 days past due.

- Trips 59 days or more past due average less than 10 per week.

- Weekly reporting to Cabinet Officers on those trips is done.

- Traveler and/or you can expect a call from your Cabinet Officer office if you have a traveler with a trip past due.
AP and Travel Reminders

- Itemized receipts are always required.
- Method of payment is required if not on the receipt.
- Traveler certification statement is required on a travel e-NPO document. Please attach.
- Use the most current form from the websites not an outdated form as the data requirements change.
- Amazon employee reimbursements – attach the Amazon invoice which shows what was ordered, amount paid, shipped date and payment method.
IT Software Requisition Workflow

Presenters:
Joyce Munoz, Associate Director - Tech Res Core Systems
José Rodriguez, Director - IT Business Services
Current Software Workflow

- Requisition is Created
- Account Manager Approval
- CS – IT Business Services
- Purchasing
What Happens during CS Review?

- IT Business Services
- Core Systems
- Mobile Committee
- ADA
- Information Security
- Budget
Why is this review process important?

- Licensing
- Support
- Cost
- Agreements
- Compliance – ADA, Security, Policies
- Minimize risks
- Protection of data
How do I know in which stage of the process my requisition resides?

• To make it more transparent and visible
  • 2 more indicators of workflow steps have been added
    • ADA review
    • Information Security
### ADDITIONAL SAP INDICATORS

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<tr>
<th>Code</th>
<th>Description</th>
<th>Status</th>
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<tr>
<td>AM</td>
<td>Account Manager</td>
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<tr>
<td>AD</td>
<td>ADA Review</td>
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<tr>
<td>IS</td>
<td>Information Security</td>
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</tr>
<tr>
<td>CS</td>
<td>IT Business Services</td>
<td></td>
</tr>
<tr>
<td>PO</td>
<td>Purchasing Dept</td>
<td></td>
</tr>
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</table>
For procurement of software, attach a VPAT (Voluntary Product Accessibility Template) to the requisition. If you don’t have one, please request one from the vendor and attach to the requisition. For software in the cloud, please have the vendor complete the Higher Education Cloud Vendor Assessment Tool (HECVAT). The HECVAT is located here: http://security.vpit.txstate.edu/services/serviceEvaluationRequest.html
WHO DO I CONTACT?

- Purchasing - 52521
- IT Business Services - 52447
- ADA Compliance - 59650
- Information Security - 54225
AGENDA

PROCUREMENT & STRATEGIC SOURCING

- PSS Announcements
- Encumbrance Review Process
- Logistics Update
- PaymentWorks Presentation
PSS Announcements

- **RSS New Vendor Forms**
  - Always use the most current version.

- **RSS 042018A Vendor Numbers on Purchase Reqs**

- **Amazon Invoices and GRs – memo sent 3/30**
  - Amazon orders purchased via a purchase order will require a GR (Goods Receipt). The only exception will be if a line is included for shipping, then the GR is not applicable.
  - You will be responsible for completing the GR (Goods Receipt) process upon receipt of goods if applicable.
  - Also please make sure to enter your 10 digit Purchase Order number during the online checkout process. There have been several invoices received where the requisition number was entered as the purchase order number.
Please be sure to check your Open Encumbrance Report via the ZOPEN_ENCUMBRANCE transaction in SAP and request closures from the Procurement Office as necessary.

Instructions for running this report are posted on the Purchasing Office’s Open Encumbrance Report webpage.

Don’t wait to review these until July or August. Any PO’s that you can close now releases unused funds back to your accounts for other uses.
Logistics Update

• **Inbound Shipments (ordered by a purchase order)**
  – Add a shipping line on to purchase req. for shipping charges
  – Vendor should provide you with a quote (Pre-pay and Add)
    • Notify vendor to include the shipping amount on their quote
  – The GL for the shipping line will be the same GL used for the goods being purchased

Example:

<table>
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<tr>
<th>Short Text</th>
<th>Qty</th>
<th>UOM</th>
<th>Amount</th>
<th>GL</th>
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<td>ea</td>
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<tr>
<td>Shipping</td>
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<td>ea</td>
<td>$25.00</td>
<td>733400</td>
</tr>
</tbody>
</table>
Logistics Update

• **Outbound Shipments**
  – Use University account number for UPS and Federal Express Services
    • UPS – 3Y2592
    • Federal Express – 828957303
  – LIMIT Framework should be created for shipping vendor to cover annual estimated shipping expenses
  – Use the GL (General Ledger) – 728600 for the shipping charges
  – **Document the LIMIT Framework PO on the hard copy freight bill or the online form**
  – Researching solutions for

Example:

<table>
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<th>Qty</th>
<th>UOM</th>
<th>Amount</th>
<th>GL</th>
</tr>
</thead>
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<td>AU</td>
<td>$1,200.00</td>
<td>728600</td>
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PaymentWorks
Vendor Portal Software

Presenters:
Ashley Watson
Shawn McCarthy
“Supplier Information Management”

A BIG CHALLENGE!!!

- Collected via email
- Impossible Update/Maintain
- Difficult to Analyze
- No Ongoing Verification
- Poor Control
- Input Manually
- Touches Many Hands

A BIG PROBLEM!!!

- Security Risk
- Privacy Risk
- Supply Risk
- Operational Cost
- Inaccurate Supplier Records
- Fraud Risk
- Compliance Risk
- Input Manually
- Touches Many Hands
- No Ongoing Verification
- Poor Control
- Impossible Update/Maintain

PaymentWorks
Time Intensive

Inaccurate Data

Unsecure Info Exchange
Creating a Network for Higher Ed
The PaymentWorks Platform

Why
- Reduce Fraud
- Privacy Protection
- Compliance
- Security
- Operational Efficiency

How
- Texas State University Supplier Portal
  - Updates when Information Changes
  - On-Going Screening & Verification
  - Workflow & Business Controls
  - Integrated w/ Payment Process
  - Triggers To Update Information
  - Shared w/ Texas State Securely
  - Profile Maintained by Supplier

Organization
- Supplier Portal
- Texas State University

Supplier
Initiator Roles

- Invite Suppliers
- Track On-Boarding
<table>
<thead>
<tr>
<th>ONBOARD START</th>
<th>UPDATED</th>
<th>VENDOR NAME</th>
<th>INVITATION</th>
<th>VENDOR ACCOUNT</th>
<th>NEW VENDOR REGISTRATION</th>
<th>% COMPLETE</th>
</tr>
</thead>
<tbody>
<tr>
<td>04/22/2018</td>
<td>04/22/2018</td>
<td>Ashley Watson Laundry</td>
<td>Clicked</td>
<td>Email Validated</td>
<td>In Progress</td>
<td></td>
</tr>
</tbody>
</table>
Invite New Vendor

Company/Individual Name:*  
Professor Smith

Contact E-Mail:*  
Professorsmith@otherbigschool.edu

Verify Contact E-Mail:*  
Professorsmith@otherbigschool.edu

Is this a foreign vendor?:*  
Yes

Vendor Type:*  
- Choose One -
  US Individual
  US Entity
  Foreign Honorarium
  Foreign Individual (Non-Honorarium)
  Foreign Entity
Dear Ashley Watson Laundry:

In order for Texas State University to establish you or your company as a payee or vendor, please click here to register on PaymentWorks, Texas State University's supplier portal.

Ashley Watson has invited you to register as a new vendor to Texas State University.

Before you begin the registration process, be sure to have the following information available:

- A valid tax ID (an EIN or SSN for US Vendors or a foreign tax ID for foreign vendors)
- If you wish to receive electronic (ACH) payments, you will need a copy of a voided check or bank statement.

If you have any questions, please do not hesitate to reach out to support@paymentworks.com.

Thank you for your support.

Sincerely,

Texas State University
Texas State University

Texas State University uses PaymentWorks to share payment information with suppliers.
Join PaymentWorks for Free

Payees (Suppliers)

Personal Information

First Name

Last Name

Company Name

Title

Email

Telephone

Create Password

Password

Confirm Password

I agree to the terms of service

JOIN NOW
An activation email has been sent to you

Please check your email and click on the link in the next 72 hours to activate your account.

Vendor Registration Step 2 of 4
New Vendor Registration Form

**Texas State University**

**New Vendor Registration**

Please fill out and submit the following form. The information you provide will be submitted to Texas State University and you will be notified by email when your application is processed. Once you are approved as a new vendor of Texas State University, you will immediately be able to see the status of all invoices you have submitted to Texas State University.

All fields marked with a red asterisk (*) are required fields. All other fields are optional.

**Business Details**

<table>
<thead>
<tr>
<th>For tax purposes are you an individual, sole proprietor or single-member LLC?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes ☐ No ☐</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Country of Incorporation or Organization*</th>
<th>United States of America</th>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Business Legal Name:*</th>
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<tbody>
<tr>
<td>For tax purposes</td>
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<table>
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<tr>
<th>EIN:*</th>
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<tbody>
<tr>
<td>9-digit number, no spaces or dashes</td>
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</table>

<table>
<thead>
<tr>
<th>Confirm EIN:*</th>
</tr>
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<tbody>
<tr>
<td>9-digit number, no spaces or dashes</td>
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</table>

<table>
<thead>
<tr>
<th>Tax Classification:*</th>
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</thead>
</table>

PaymentWorks
Your new vendor registration has been submitted

You will receive an email notification when your application has been approved.

Please note, this is not an authorization to perform services.

Continue
Are we done yet?
## Onboarding Statuses

### Invitation column:
- Sent
- Delivered
- Not Deliverable
- Opened
- Clicked
- Self Registered

### Account Column:
- Email Validated
- Created
- Confirmed
- No Account

### New Vendor Registration column:
- Submitted
- Approved
- Processed
- Complete
- Rejected
- Invitation/Reminders Cancelled

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Increased Productivity

Accurate Data

Secure Information
Who do I call?

- Procurement & Strategic Sourcing 5-2521
  - [http://www.txstate.edu/gao/procurement/](http://www.txstate.edu/gao/procurement/)
- Materials Management/Central Receiving 5-2294
  - [http://www.materialsmgt.txstate.edu/](http://www.materialsmgt.txstate.edu/)
- Accounts Payable 5-2777
  - [http://www.txstate.edu/gao/ap/](http://www.txstate.edu/gao/ap/)
- Travel Office 5-2775
  - [http://www.txstate.edu/gao/ap/travel/](http://www.txstate.edu/gao/ap/travel/)

Common questions for these departments are located on each department’s homepage on the website.
RSS Feeds

- Stay informed on process and form changes that affect these functions.
- Instructions for setting up an RSS feed can be found at the following office links:
  - How to Add RSS Feed for AP
  - How to Add RSS Feed for Travel
  - How to Add RSS Feed for Purchasing
Questions and Answers
How do I expedite small purchase items that are needed ASAP?
- Put extra details in your notes. The more information, the better. Anything from the vendor helps as well. The more information helps the IT compliance reviewers understand any risks or mitigating factors.

When does the software/hardware review process and workflow start?
- May 18, 2018.

Can software/hardware be ordered via e-NPO?
- e-NPOs are not used for software/hardware purchases. The required workflow is not built in for the IT compliance review.
- Check with IT before submitting an employee reimbursement for these purchases. What was purchased must be in compliance before being reimbursed. Attach the IT approval to the e-NPO document as support for AP.
Is house hunting for prospective employees paid through travel?
- No, it is part of the moving allowance. These allowances are paid through Payroll so the amounts are included in taxable earnings for the employee.

Is there a moving allowance cap?
- Yes, the policy reflects an allowance of 10% of their salary or $7,500, whichever is greater. Departments may **not** offer additional money without Cabinet Officer approval (i.e. submit a new AP-16 form (name will be changing) with the full amount that will be paid to the employee for the allowance).

e-NPOs for house hunting and/or pre-move expenses are no longer allowed.
- Contact Cindi Scheid for the interim process (before the PCR process is announced) or contact HR if for a staff position or Faculty Records for a faculty position.
PaymentWorks: Questions & Answers

- **When will this roll out?**
  - Late Summer or early Fall.

- **Will the 700001 vendors be included in Payment Works?**
  - No. 700001 is for non-employee one-time reimbursements and refunds only.

- **How long will vendor information changes take to process through PaymentWorks?**
  - Vendor profile changes are made by the vendor in real-time, but must undergo a check through both PaymentWorks and Vendor Maintenance before they are approved and the changes visible on the portal.
  - Once changes are approved in PaymentWorks, they will be reflected in SAP when the

- **How many remittance addresses can be stored for a vendor in PaymentWorks?**
  - As many as needed.

- **Will the department contact (initiator) receive a notification/vendor number when their vendor has been set up?**
  - Not at this time. Departments will have to log into PaymentWorks to check the vendor’s status, but they can view the exact part of the setup process that the request is in.

  - University contact notification is a planned enhancement that will be later implemented in PaymentWorks.

- **Is there a direct contact at PaymentWorks for questions or assistance?**
  - Yes! All PaymentWorks technical issues and questions should be submitted to PaymentWorks, who will assist.

  - How-to videos are available inside the PaymentWorks portal for additional assistance.