

<http://www.msubillings.edu/boffice/>

Business Services



Business Services Staff

PURCHASING

- Barb Shafer Purchasing Manager, Accounts Payable & BizHub Supervisor

ACCOUNTS PAYABLE

- Tami Eller

TRAVEL CLERK

- Jill Brown

BIZHUB

- Barb House, Printing Services
- Larry McComas, Mailroom

- **Jim Nielsen, Director**

STUDENT ACCOUNTS & ACCOUNTS RECEIVABLE

- Mike Morgan, Supervisor
- Treva Nemeth
- Frankie Malmstrom

CASHIER

- Carla Tilton

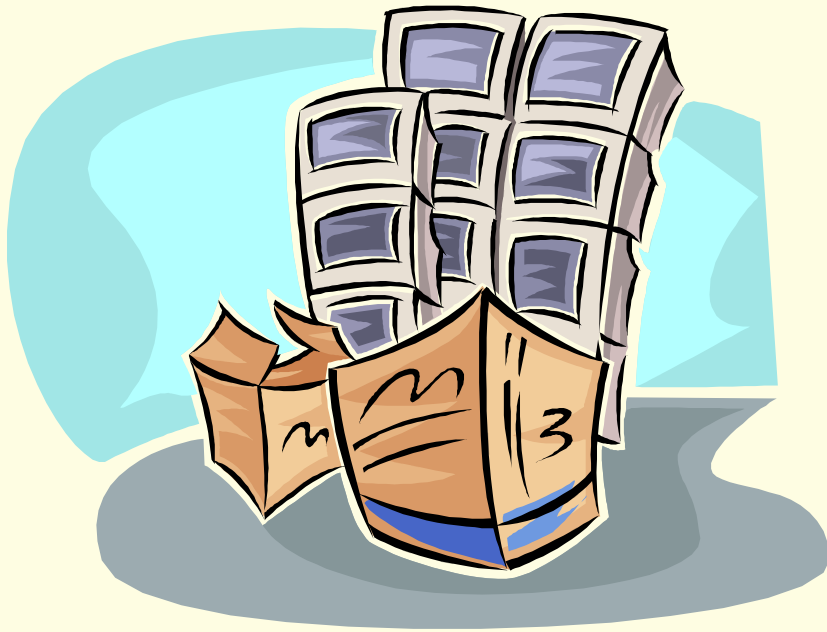
System Analyst

- Connie Rohrdanz

Accounts Payable Policies & Procedures

Presented by

Barb Shafer



<http://www.msubillings.edu/boffice/acctspayable.html>

Business Services



ACCOUNTS PAYABLE

- Banner Payment Authorizations (BPA)
- Expenditures
- Hospitality Forms
- Expenditure Codes Chart
- Revenue Codes Chart
- Cash Accounts Policies
- Invoices & Statements

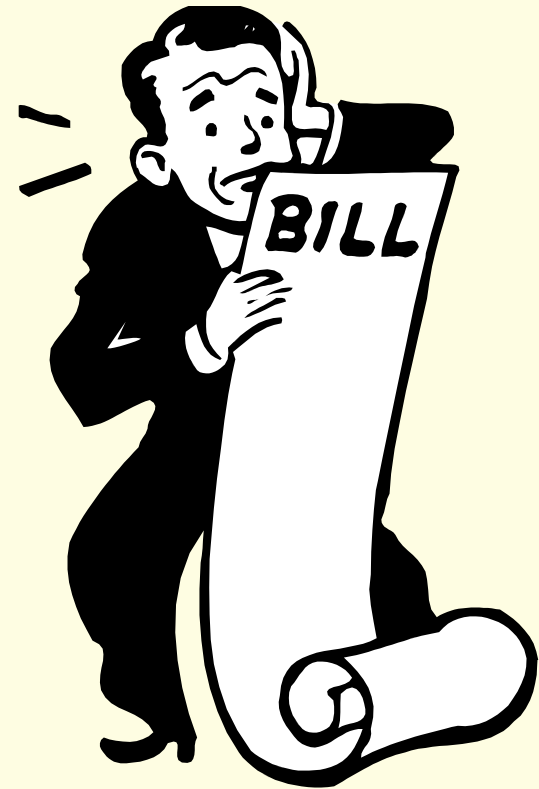


Costco & Sam's Club

- Membership Cards available at Business Services for check out.
- Accepts DPOs

Invoices / Statements


- All invoices & statements need to be sent to Business Services.
- Copies of invoices will be routed to the responsible department.
- Return copy of invoice with a BPA for payment.



Timing

- Invoices received in department should be processed within **2 weeks** of receipt of the invoice.
- 2 week maximum turn-around time in Business Services.
- Vendor should receive payment within 45 days of issuing invoice.

BPAS

Banner Payment Authorization										DOC#:
Vendor Name & Address 							Invoice Date:			
							Contact:			
							Vendor Fed Tax Id/SSN			
PO/ENC	P/F	Index	Fund	ORGN	Account	PROG	Activity	Amount	Location	Date Stamps
Total								\$	-	
Remit Info (Limit 15 Characters)						Ref/Additional Information				
Invoice #										
Authorized Signature(s)										
Authorized Signature(s)										

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BPAs (Cont.)

- Paying individuals for services
 - Make sure W9 is attached
- Attach original invoice
 - Can NOT pay off of packing slip, acknowledgements, or statements

Signatures

- Fund controllers need to be updated at Financial Services
- Fund controller's signature can NOT be signed by other persons
- If more than one signature is required, check that all signatures are on BPA before sending to Business Services.

Independent Contractor v. Employee

- **All BPAs reviewed for pay type.**
- Behavioral Control
 - Right to direct
 - Control of work
- Financial Control
 - Significant Investment
 - Expenses
 - Opportunity for profit or loss
- Relationship
 - Employee benefits
 - Written contract



<http://www.msubillings.edu/boffice/Independent%20Contractor.htm>

Business Services



Paying through Foundation

- If you receive a copy of an invoice from Business Services please inform us the Foundation is paying and we will send the invoice to the Foundation.

Hospitality Form

- If a department plans to pay for food or light refreshments and the cost will exceed \$30.00, a Hospitality Form must be completed and approved prior to the time the expense is incurred.
- State funds CANNOT be used to purchase alcoholic beverages.

<http://www.msubillings.edu/boffice/PDF/hospform.pdf>

Business Services



Fiscal Year End

- Deadlines

<http://www.msubillings.edu/boffice/YR%20end%20Pmt%20Schedule%2008.doc>

- Expenditures paid in year incurred

- Accruals

Cash Management



- Cash Account Policies
 - Deposit Requirements
 - Minimum Weekly

Cash Account Policies

Deposits

- State law requires all monies to be deposited **DAILY**.
- **Any department or individual holding State moneys without prior written approval is in violation of State law.**
- To the extent possible, all collections for Montana State University - Billings must occur at the Cashier in Business Services, McMullen Hall or Cashier at City College.

Cash Account Policies

Change Funds

- Change funds must be approved in writing and a check must be issued from the State Treasury.
- Any cash funds at MSU-Billings are for making change and receiving collections **only. EXPENDITURES FROM THESE FUNDS ARE PROHIBITED.**
- Cash accounts should be reconciled each day that the account is in use, prior to the end of that day.
- Collections may not be used to increase or create a cash account.

Purchasing



<http://www.msubillings.edu/boffice/purchasing.html>

Business Services



Purchasing

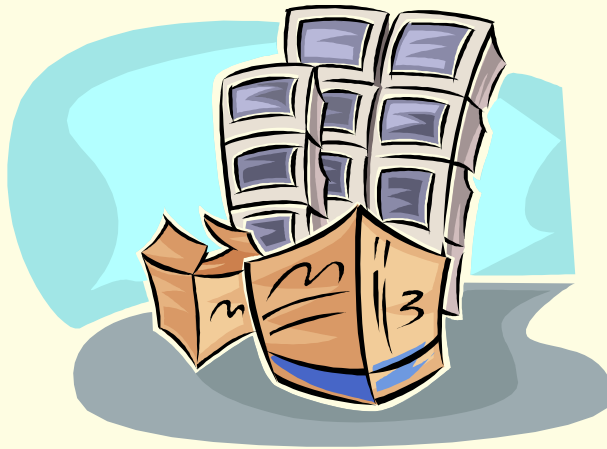
- Policies & Procedures
- Purchasing Card Manual
- Requisition Time Schedules
- State Regulations & Policies
- Term Contracts
- Fiscal Year End Deadlines



Introduction

Agenda

- Purchasing Department
- Procurement Authority
- Purchasing Policies & Procedures
- Departmental Purchasing Procedures



Business Services



Purchasing Department

Staff

- Jim Nielsen, Business Services Director
- Barb Shafer, Purchasing Manager

Location: McMullen Basement

Phone 657-2151

Fax 657-2051

Business hours

Monday – Friday, 8:00 – 5:00p.m.

<http://www.msubillings.edu/boffice>

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Purchasing Department (con't)

Responsibilities

- **Oversee all purchasing functions for MSU-Billings**
 - **Plan and Develop Purchasing Strategies**
 - **Assist with all purchases as needed**
 - **Issue Formal Solicitations (IFBs and RFPs)**
 - **Prepare/Assist and Award Contracts**
(POs and Contracts)
 - **Post-Award Contract Administration**
 - **Compliance with State Procurement Laws**

Purchasing Authority - State

State of
Montana
Code
Annotated
Montana
Procurement
Act

Department of
Admin State
Procurement
Bureau
Administrative
Rules of Montana

Montana
Operations
Manual
(MOM)

Purchases
Exempt from
MT
Procurement
Act
Title 18, Ch 4,
MCA

MSU
Purchasing

MSU Billings
Purchasing

Covered by
other Laws:

Construction
Employment
Land

Business Services



Purchases EXEMPT from Montana Procurement Act

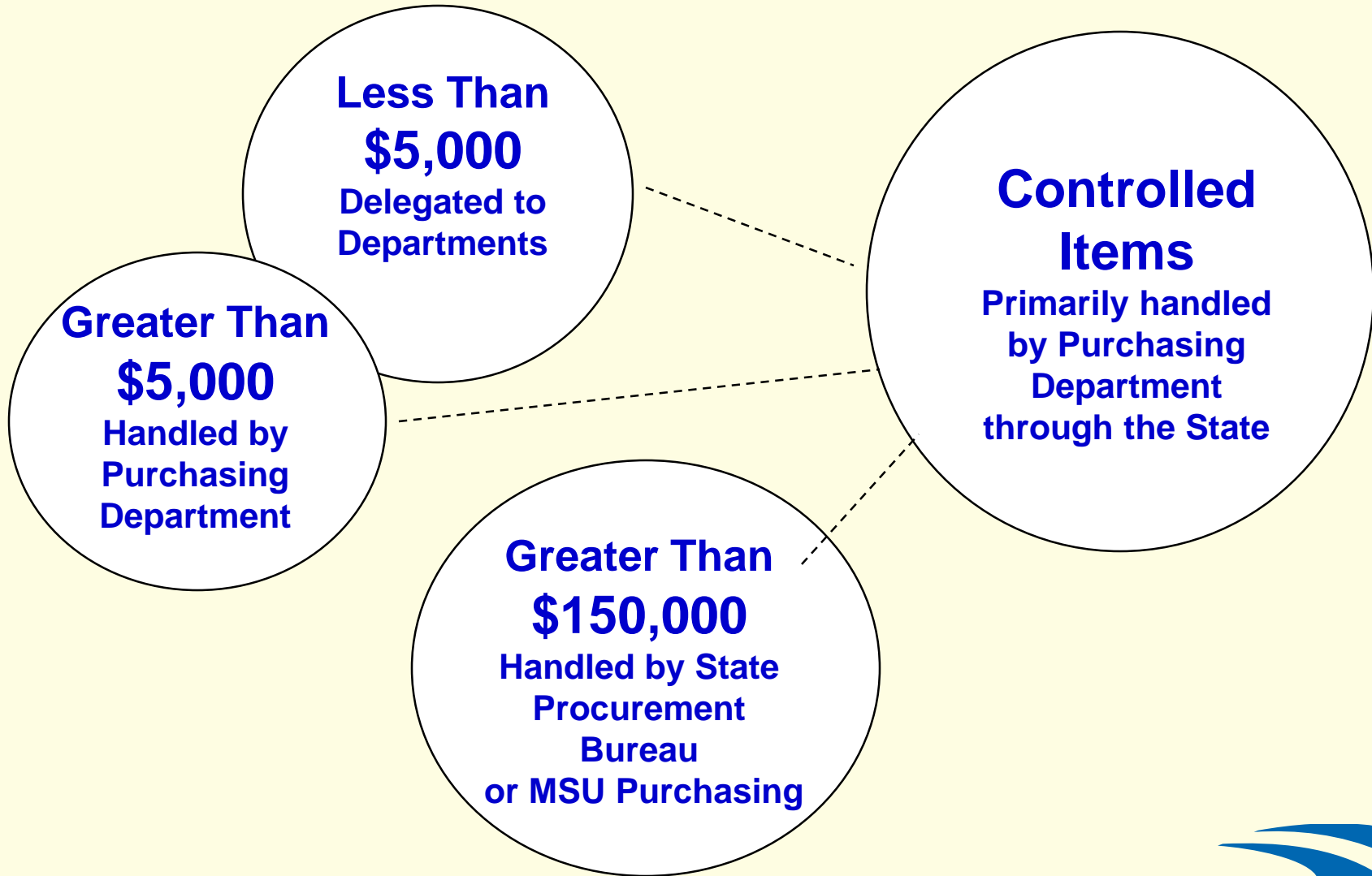
Title 18, Chapter 4, MCA

- Salaries
- Travel and per diem
- Freight
- Landfill charges
- Training, Training and conference space rental
- Catering
- Physician Services
- Certain Other Services exempted by MCA 18-4-132
- Fresh fruits and vegetables
- Pastoral services
- Supplies or services whose prices are regulated by the public service commission or other government authority.

Purchases Not Included in Montana Procurement Act

- **Construction Contracts**
- **Leases for Real Property**

Purchasing Authority



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Total Contract Value

What is Total Contract Value (TCV)?

TCV is defined as the initial contract period, plus renewals

- Options to buy additional quantities
- Options to obtain additional services
- Options to extend contract term

Calculating TCV

1. Estimate the value of the initial purchase or service incoming to MSU Billings
2. Estimate the value of the cost of all options that will be included in the contract
3. Add numbers together for “TCV”

Controlled Items Delegation

Commonly used items that can be consolidated for purchasing purposes resulting in discounted prices.

- Some are optional.
 - Visit the state website for a list of current contracts
<http://gsd.mt.gov/procurement/termcontracts.asp>

***Statewide Term Contracts ***

Information Technology Delegation

- Departments are authorized to buy within their delegated purchasing authority $\leq \$5,000$
 - Exceptions:
 - Computer-related purchases
 - IT Hardware/Software Justification
 - DPO
 - For purchases impacting State or University networks
 - IT approval required (i.e. anything connected to the network)

<http://www.msubillings.edu/technology/forms/Procurement%20Approval%20Form%20-%20IT.xls>

Purchasing Methods

- **Small Purchases**
 - Total Contract Value up to \$5,000
- **Solicitation Purchases**
 - Limited Solicitations
 - Competitive Sealed Bids (IFB)
 - Competitive Sealed Proposals (RFP)
 - Total Contract Value between \$5,000 and \$150,000

Departmental Purchasing Procedures

**How to make purchases
within your purchasing authority.**

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Is My Department Authorized to Buy This?

- Is the Total Contract Value less than or equal to \$5,000?



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Small Purchase Procedures

- **TCV up to \$5,000**
- **No preferred purchasing method**
 - Formal Competitive procedures not required
 - For purchase in this group greater than \$2000 obtain informal quotes/prices ie. Call vendor, web, catalog
 - Department has maximum flexibility
- **Supplies**
 - Recommend using Procurement Card
 - Issuing a BPA with original invoice

“JUST DO IT”

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Procedures Checklist

Basic questions to ask yourself:

- ☐ What is the estimated cost of the supply or service?
- ☐ Is my Department authorized to buy this? (ie. IT related purchases)
- ☐ Are funds available?
- ☐ Is this a controlled item?
- ☐ Does competition exist or is this a sole source procurement?

Purchasing Tools

- Brand Name and Sole Source Justification

<http://www.msubillings.edu/boffice/Sole%20Source.doc>

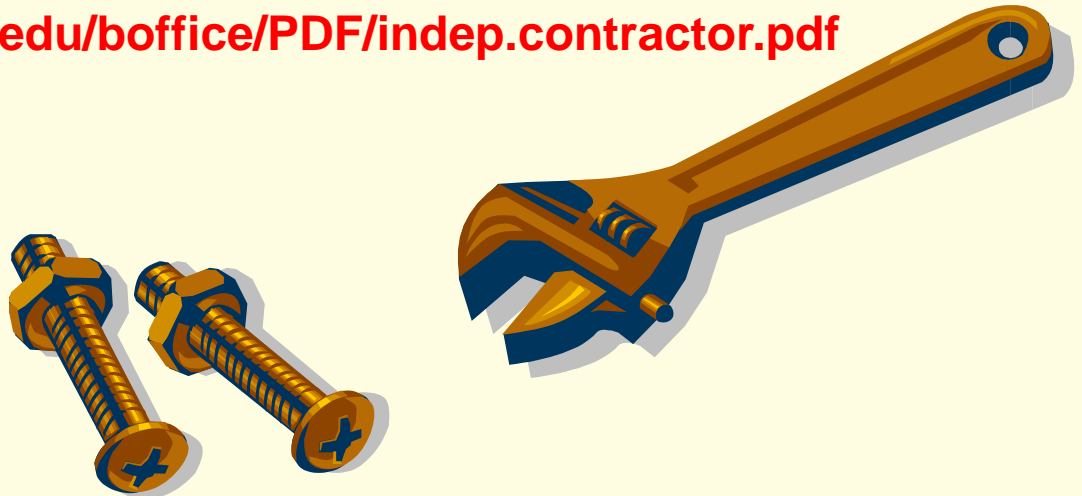
- Independent Contractor Checklist

<http://www.msubillings.edu/boffice/PDF/indep.contractor.pdf>

- IFB and RFP

- E & I Contracts

- WSCA



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Brand and Sole Source Justification

- **What are the requestors requirements/ specifications for the goods or services?**
- **Is there only one brand or person/company that meets those requirements/ specifications?**
- **Is there a brand specifically listed in a grant or contract?**
- **Is the brand available to be purchased only through one source?**

Brand and Sole Source Justification

If vendor is always a Sole Source-
Justification Form Not Required

- Professional licenses
- Dues to associations
- Renewal of software license agreements; or
- Purchase or renewal of maintenance agreements for software or hardware only available from a single supplier
- Subscriptions, publications, and textbooks only available from a single supplier, i.e., published videos, movies, recordings, and serial subscriptions for periodicals and journals
- Purchasing of specific brand name items for resale to the public.
- Subcontractors associated with specific research grant programs, if the subcontractors are specifically named in the grant.
- Advertising placed in publications or on radio, television, or other electronic means. Development, design, and distribution of advertising is not included in this exception.
- License Agreements for electronic publications including licensed library materials, journals (scientific, technical or medical) journal articles, periodicals, and course packs.

Is it a Sole Source?

- **Criteria for Sole Source Procurements**
 - the compatibility of current services or equipment, accessories, or replacement parts is required;
 - only one source exists, is acceptable or suitable for the supply or service item.

Department Purchase Orders (DPO)

- Used for purchases greater than \$2,000
 - **Required** for goods greater than \$2,000
 - **Required** for goods valued greater than \$5000

Contracted Services Agreement

Elements to be Addressed

- **Statement of Work**
- **Deliverables**
- **Delivery Dates**
- **Consideration for Deliverables**
- **Acceptance Criteria**
- **Acceptance Process**
- **Independent Contractor**
- **W-9**
- **Insurance Requirements**
 - **Professional Liability**
 - **Worker's Compensation**

Independent Contractor

- Behavioral Control
 - Right to direct
 - Control of work
- Financial Control
 - Significant Investment
 - Expenses
 - Opportunity for profit or loss
- Relationship
 - Employee benefits
 - Written contract
- Use the Independent Contractor Checklist
 - <http://www.msubillings.edu/boffice/PDF/indep.contractor.pdf>

Purchases > \$5,000

Needs Identified, DPO
Prepared by Dept.



Bids/Offers Received



Purchase Order
or Contract



Receive
Product /
Service



BPA
Processed
& Vendor Paid
OR PROCard

Business Services



Department Requisition Process

- **Dept. Prepare DPO**
 - **Gather proper documentation**
 - Requirement Specifications
 - Provide required delivery date
 - List of vendors
 - IT Hardware & Software Justification
 - Brand Name Justification
 - Property Trade-In Information
 - Sole Source Justification
 - **Obtain Proper Signatures**
 - Signature by Fund Controller(s)
 - **Submit DPO and supporting documents to Purchasing**

Requirement Specifications

- **Provide**
 - **Functionality Requirements**
 - **Compatibility features**
 - **Physical description**
 - **Installation Required**
 - **Site Preparation**
 - **Deliverables**
 - **Warranty information**
 - **Training requirements**
 - **Maintenance & Support**

Invitation for Bid (IFB)

- **A formal, written solicitation that completely describes**
 - Specifications or Statement of Work
 - Boilerplate Terms and Conditions
 - Special Terms and conditions
 - Delivery Date, Training and Installation
 - Award Information
- **Routinely used to purchase supplies and services**
- **Allow 2-3 weeks for submittal of bids**
- **Award made to the lowest responsive and responsible bidder**
 - Responsive - meets all specifications, terms and conditions
 - Responsible – vendor who has capability to fully perform contract and has integrity and reliability that ensure good faith performance
- **Goal is to issue contract within 2-3 days of bid opening**
- **Subject to Protest**

Request for Proposal (RFP)

- **A formal, written solicitation that completely describes**
 - **Statement of Need**
 - A written description of your needs
 - Needs may not be crystal clear
 - May be seeking a technical solution
- **Award is based on stated evaluation criteria**
- **Proposals may be modified**
- **Subject to Protest**

RFP (con't)

- **RFP's are issued for purchases over \$5,000 when we want the Vendor to supply a proposed solution**
 - **All RFP's are handled by Purchasing Dept.**
 - **RFP process is time consuming**
 - Can take up to 90 days for entire process
 - Typically allow 15 days for proposal submittal
 - Expensive for vendors to prepare proposals
 - An Evaluation Committee evaluates the proposals
 - Purchasing oversees the Evaluation Committee and guides them through the process
 - Purchasing is sole point of contact between the University and vendors during RFP process
 - Negotiations are not uncommon
 - Led by Purchasing

Travel Policies & Procedures



Presented by

Barb Shafer

<http://www.msubillings.edu/boffice/travel.htm>

Business Services



Travel

- Travel Authorization
- Travel Expense Voucher
- Lodging, Meals, & Mileage Rates
- Campus Credit Cards
- Student Travel
- Foreign Travel



Travel Authorization

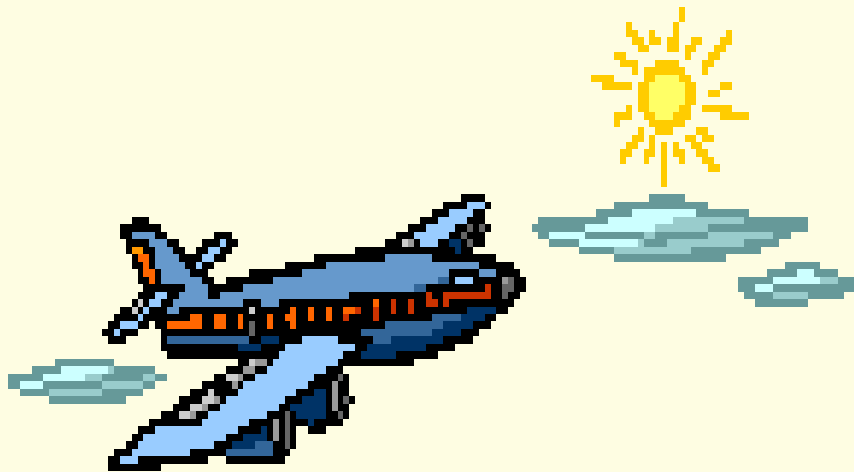
- Must be on file in Business Office **prior** to travel
- Traveler's name, ID No., Department name
- Advance requested
 - have in Business Office 2 weeks prior to travel
- Appropriate signatures
 - fund controllers (if traveler is fund controller a higher authority must sign)
 - final authority

MONTANA STATE UNIVERSITY-BILLINGS									
Faculty/Staff Travel Authorization and Request for Travel Advance									
(Must be approved at least 2 weeks in advance of travel date if advance is requested)									
Travel advances will be distributed the week of travel.									
(Must be approved at least 48 hours in advance of travel date if no advance is requested)									
TRAVELER'S NAME		TRAVELER'S ID #							
DESTINATION									
PURPOSE OF TRAVEL									
TRAVEL PERIOD		DEPARTURE		Date		Time			
		RETURN		Date		Time			
TRANSPORTATION METHOD									
REASON		Airfare should be charged to MSU-Billings on a Travel Purchase Order (TPO) or with a purchasing card.							
ESTIMATED	Transportation:				\$				
COST OF TRIP:	Rental Car/Taxi:				\$				
	Per Diem: Meals				\$				
	Lodging				\$				
	Other (explain):				\$				
	Total:				\$	0.00			
FUNDING SOURCE:		Department Name		Index #					
No Charge to State:		If not, cost to be paid by:							
TRAVEL ADVANCE REQUESTED:		Amount							
		No	Yes						
(Travel advance may not exceed estimated reimbursable expenses or be less than \$50.00)									
I request authorization to travel as indicated above in accordance with the travel regulations of Montana State University-Billings and the State of Montana. I agree to file for reimbursement, provide original receipts for expenditures, and make any repayments within thirty (30) days.									
I understand that I'm responsible to follow the Montana Vehicle Use Policy (ARM 2.6.201-214) at http://arm.sos.state.mt.us/2/2-25									
Violations of this Policy shall be handled in accordance with appropriate University policy.									
ROUTING & APPROVAL:		Signature of Traveler				Date			
	Fund								
	Controller								
(If appropriate)	Final Authority	Signature				Date			
Please distribute form after final approval.									
10/2004									

Business Services



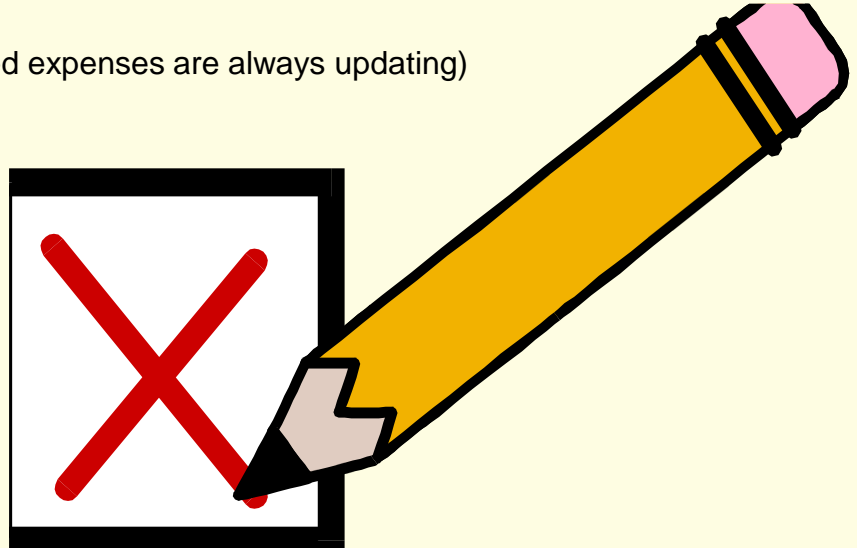
Travel Purchase Order (TPO)



- White Copy to Travel Agency
- Green Copy to Business Office
- Index Number
- Appropriate Signatures

Travel Expense Voucher

- Use Web Form — (Allowed expenses are always updating)
- Name/Address
- Month/Year (of Travel)
- Index No.
- ID No.
- Purpose of Travel (Where & Why)



Notes to Users:
***Do not change any items in column 5 or column 9. These are formulas and cannot be changed!!!**
 *If mileage allowances change, enter new amounts in cell P34 & P35 only.

Allowances		
Meals 5/01		
	In State	Out State
Breakfas	5.00	7.00
Lunch	6.00	11.00
Dinner	12.00	18.00
totals	23.00	36.00
Mileage 3/04		
per mile	0.445	<1000
per mile	0.415	>1000
Mode 5/01		
State Car		SC
Commercial Air		CA
Private Car		PC
State Aircraft		SA
Private Aircraft		PA

Travel Expense Voucher

Columns

- Days of the month
- Details
- Mode of Travel
- Mileage
- Per diem – Lodging & Meals
- Miscellaneous Expenses (Explain these expenses in the Misc. Explanation Area)

Travel Expense Voucher

Rows

- Total Amount of Expenses
- Travel Advance Amount
- Campus Credit Card Purchases
- Reimbursement
 - due to traveler / due to state
- Form will automatically calculate

Lodging

- Amounts entered must be supported by original receipts.
- The maximum lodging reimbursement rate for in-state travel is the federal per diem room rate which is currently \$83 per night plus tax for most cities. (new rate effective as of 10/1/13)
 - Check for high cost cities
 - <http://www.msubillings.edu/boffice/travel.htm>
- Hotel listing on DOA – State Travel Policy
 - <http://doa.mt.gov/doa/doatravel/travelmain.asp>
 - Select Federal Lodging Rate Guidelines
- Out of state lodging

Mileage Rates

- Private Car Rate 56.5 cents per mile for the first 1,000 miles per month. (53.5 cents per mile for miles in excess of 1,000 during a calendar month.)



Mileage Rate Qualification

- In order to claim reimbursement at 56.5 cents per mile, the State employee must qualify according to the following:
 - The use of a personal vehicle is considered to be in the best interest of the state.

Meals

- 3 continuous hours during shift to be reimbursed
- Receipts are not necessary for meals
- Tax on same day travel meals

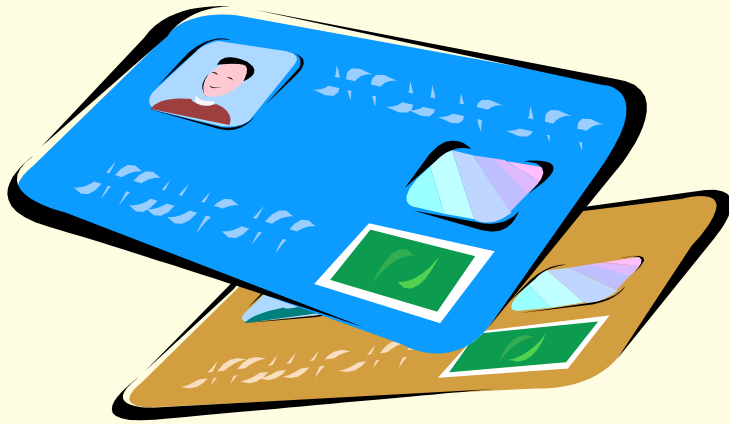
Time Range Allowed	Meal	In-State	Out-of- State
12:01 a.m. to 10:00 a.m.	Morning	\$5.00	\$7.00
10:01 a.m. to 3:00 p.m.	Midday	\$6.00	\$11.00
3:01 p.m. to midnight	Evening	\$12.00	\$23.00

Receipts

- **Always** attach originals!!!
- Required for all reimbursements over \$25.00.
- Attach Conference brochures or emails.
- Tips are NOT an allowable expense.



Campus Credit Card Purchases



- **NOT** to be used for meals
- Attach copies of receipts to exp. voucher
- Use for Hotels, airfare, registration, etc.

Filing Travel Exp. Voucher

- Travel reimbursement requests should be filed, and repayments of travel advances should be paid to MSU-Billings within 30 days of completion of travel.
- Vouchers not turned in within 90 days are not reimbursable.
- When advances are received, travel paper needs to be turned in within 30 days or the amount will be taxed towards the traveler.



Student Travel



- Authorizations available from VC of Student Affairs
 - not the same form as the Faculty/Staff Auth.
- Advance requests need a BPA attached

Foreign Travel

- Travel Authorizations must be submitted no later than 2 weeks prior to travel.
 - Additional Insurance coverage is required. Failing to submit your travel authorization in time will result in lack of foreign travel insurance.

Questions



Questions or problems:

www.msubillings.edu/boffice/

or

call Barb #2301

Business Services

