Procurement Best Practices
Finance Transformation Transition Period
Go-live Preparations

Simplify, Streamline, Organize, Automate
Transition Period

Procurement-related Dates

Two important dates that will help benchmark procurement activities:

<table>
<thead>
<tr>
<th>June 27</th>
<th>May 9</th>
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<tbody>
<tr>
<td>• Purchase Order is received, invoice is reconciled and approved in Ariba</td>
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<tr>
<td>• Ariba requisitions need to be fully approved by 5:00 p.m.</td>
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In order to meet June 27 and May 9 deadlines, the following guidelines are provided:

**April 18**
RFP >$10,000

- Requests for Purchase >$10,000 (RFP) submitted to the Central mailbox for competitive bidding by Procurement that need to be processed and paid by June 27, 2018 should be received by Procurement no later than April 18, 2018.

- Requests for Purchase >$10,000 (RFP) submitted through the Central mailbox that do not need to be paid by June 27, 2018 will continue to be received and processed.

**May 2**
New Vendor Requests
Non-catalog Requisitions

- New Vendor Requests with Requisitions < $10,000
  - If a new vendor must be added to complete a purchase, the requisition should be received by Procurement no later than May 2, 2018.

- Non-Catalog Ariba Requisitions
  - Missing suppliers, part numbers or non-U.S. suppliers for non-catalog requisitions (less than $10,000) should also be received by Procurement no later than May 2, 2018.

**May 9**
Routine Catalog Orders

- Routine Catalog Orders
  - Ariba requisitions for routine catalog orders (under $10,000) should be approved by May 9, 2018.

- All Requisitions Fully Approved May 9
  - All requisitions need to be fully approved by 5 p.m. on Wednesday, May 9, 2018.

- All requisitions should be approved/denied in Ariba.
  - Open POs with no activity do not need to be closed.
Request to Payment Process (RFP >$10,000)

April 18  
(1-3 weeks full process)  
- Purchase for $10,000 > submitted to Central Mailbox for competitive bidding by Procurement

May 9  
(Up to 1 week)  
- Ariba Requisition created & routes for approval

May 25  
(1 to 5 days)  
- Vendor receives & processes PO  
- Vendor prepares for shipping

June 1  
(3 to 5 days)  
- Vendor ships and delivers order to Purdue  
- Typically vendor invoices once items ship

June 22  
(Up to 3 weeks)  
- Receiving: Dept. receives in Ariba, Passes to SAP, Error clean-up  
- Invoicing: Reconcile invoice, Passes to SAP, Error clean-up

June 27  
- Purdue pays Vendor and closes PO
Transition Period

Best Practices - Now

What are the purchasing best practices during the transition period?
Due to the high volume of purchase orders, it is critical that orders be approved and received in a timely manner. Departments should begin purchasing proactively.

How do I purchase proactively?
1. If you plan on ordering a piece of equipment in April it is suggested to order now.
2. If you routinely purchase certain items in May or June that need to be processed in Fiscal Year 2018, purchase them now.

How can I reduce the procurement (purchase to payment) lifecycle?
Catalog purchases have a shorter life cycle than non-catalog purchases and should be used whenever possible.
Transition Period

Best Practices - Now

How should long-term or multi-year projects be processed:

1. Consider organizing the purchase into phases.
   - Create Ariba PO for the first phase(s) of the project that will be received and invoice reconciled/approved by June 27, 2018
   - Create a new Ariba PO for the remaining phase(s) after July 1, 2018.

2. Create annual renewal PO’s, when applicable. For example, with a 3 year (multi-year) project, create year 1 of 3 agreement with annual renewal PO’s.

3. Long term projects that will not be delivered or invoiced prior to July 1, 2018 can be processed in Ariba as long as there is no activity against the PO.
   - PO Need-By date on the order must be after July 1, 2018
   - No goods receipt processed until after July 1, 2018
   - No invoice posted against the PO until after July 1, 2018
Transition Period

Closing POs and Prepping for Go-Live

Commitments Review – June 20

• By noon, departments should review outstanding commitments; use t-code FMRP_RFFMEP1AX for FM module.
  o Follow Waiting in Ariba QRC for ‘Cancel PO’ or ‘Reversal of Receipt’ instructions.

Goods Receipt – June 27 (noon)

• Last day to enter a Goods Receipt by noon.

SRM Extraction - June 29

• Last day to extract SRM attachments before SRM is decommissioned.
  • Backup documentation for purchases made on sponsor funding has been imaged and saved through Sponsored Programs.
### Procurement Pause Processes

#### Ariba Pause through Go-live

Contact the Procurement Helpdesk at pshelpdesk@purdue.edu to determine the best process. Dependent on the circumstances, one of three options may be offered:

<table>
<thead>
<tr>
<th>PCards</th>
<th>DIV</th>
<th>Interim PO Process</th>
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<tr>
<td>• Utilize the PCard to purchase low risk or small dollar orders.</td>
<td>• Use a Direct Voucher (DIV) or ZV60 to purchase low risk items, when the vendor does not accept credit cards. The DIV will be paid after July 1.</td>
<td>• All high risk purchases, including long-term projects, capital purchases, vendors requiring Purchase Orders and contracts, should follow the <a href="#">interim PO process</a>.</td>
</tr>
<tr>
<td>• Procurement will provide a workbook to temporarily increase credit card limits during the transition period</td>
<td></td>
<td>• Capital Program Management should follow the <a href="#">Capital Projects interim PO process</a></td>
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• Contact Procurement Helpdesk at pshelpdesk@purdue.edu
• Finance Cutover /Pause Dates webpage:
  https://www.purdue.edu/treasurer/transform/Projects/pausedata/index.html
  • Frequently Asked Questions (FAQs):
    https://www.purdue.edu/treasurer/transform/Projects/pausedata/cutoverFAQsFinance.html
• Communications regarding updated pause dates or interim processes will be announced through B@P News, Transform@Purdue and Purdue Today (when applicable)