# P2P Department Primer

Preparing to use the
Procure-to-Pay System

Updated 5/01/08

**Step 1**

Department Creates Requisition

**Step 2**

Department Approves Requisition

**Step 3**

System Converts Requisition to PO

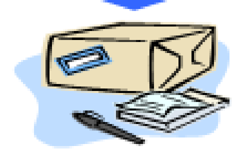
**Step 4**

CPBC Intervenes as needed

**Step 5**

System Dispatches PO to Vendor

Goods Received



**Step 6**

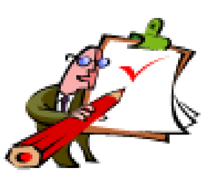
Department Records Receipt of Goods

**Step 7**

AP/System Receives Invoice and Creates Voucher

**Step 8**

System Performs Matching Rules



**Step 9**

Department Resolves Match Exceptions

**Step 10**

System Pays Vendor

**Step 11**

Department Verifies General Ledger

# Table of Contents

# 5 Steps to Get Ready

## 1. Define your roles and initial procedures

- Set your vision; determine which P2P functions will be centralized and which will be widely distributed.
- Complete a "P2P Roles Scratch Sheet" (see sample on page 13) to help identify users and role assignments, and ensure segregation of duties.
- Develop Department Business Processes around role assignments.
  (A) **Prepare Users** by familiarizing them on purchasing policies, informing them of their responsibilities and links to other P2P users, and providing them with tools for success.
  (B) **Develop Department Processes and Workflows**. The system will handle much of the processing, but it can only function properly if you document procedures on related activities and communications around using the system.
  (C) **Determine use of Optional Features** to get the most out of P2P. There are required fields that must be entered to complete transactions, but you should also consider how the Department will use optional roles (e.g., Ad Hoc Approvers) and optional fields (e.g., Requisition Name). Standardize where possible.
  (D) **Establish Monitoring Procedures** to ensure business processes are being followed, workflow is smooth, and user workload is manageable.

## 2. Prepare users

- Ensure non-UCSF employees have an ID set up in the IID system by your department's Identity Management Worker. This ID is required before they can be added as a P2P user in the collection tool. Examples include VAMC and HHMI employees. Contact OAAIS support at 514-4100, option 2 with questions on IIDs.
- Alert users they will need to obtain a Galen account prior to accessing WebCT online training: https://www.ckm.ucsf.edu/account/. This account is mandatory in order to register for the P2P online training.
- Customize P2P materials to include your department's vision, business processes and expectations, and present to your department users.
- Enforce training deadlines according to the rollout schedule. Users who do not complete required training will not get access to P2P. Because Requesters are linked to Default Approvers and Department Buyers, it is vital that Default Approvers and Department Buyers complete the training or their linked Requesters will not get access to P2P.
- Designate Go-To users for each key role and ensure they participate in hands-on training to become P2P experts and can provide guidance to co-workers (Tip: designate a Go-To Requester in each lab or work area).
- Encourage users to download or link to user manuals, job aids and quick start guides to help P2P navigation.

## 3. Set up preferred browsers

- Be sure all users have the PeopleSoft preferred browsers installed on their computers for optimal performance. **For PCs: IE 6.0 and Firefox 2.0; For Macs: Firefox 2.0 only.** Other browsers may be used, but users may experience problems.
- Instruct users to add trusted sites to their browsers prior to logging into P2P on day one. More details to follow.

## 4. Collect User Data

- Collect required data for all users listed on "P2P Roles Scratch Sheet":
  (A) For every P2P user, you will need their name or IID (aka, Empl ID), current phone and email.
  (B) For each Requester and Self Approving Requester, you will also need their **Default Approver**, **Department Buyer**, Default Ship-To Location, and Procurement Dept Code.
  (C) For each Department Buyer, you will have the option to designate a backup **Department Buyer**.

## 5. Complete the P2P Data Collection Tool

- Enter user data into P2P Data Collection Tool by the appropriate deadline.

# Procure-to-Pay (P2P) System

# REQUESTER

## KEY RESPONSIBILITIES OF THE REQUESTER

- Browses catalogs, comparison shops, and selects items for purchase
- Enters required chartfields (Fund-DPA-FYR)
- Splits funding between chartfields as needed
- Enters alternate ship-to location as needed
- Assigns Ad Hoc Approvers or Reviewers based on Department business process
- Edits or cancels Requisitions as needed
- Ensures items are received and manages missing Receipts

## ROLE ASSIGNMENTS FOR REQUESTERS

**Privileges:** Requesters can be added as Reviewers to other Requesters' Requisitions.
**Exclusions:** Requesters cannot be assigned Proxy Approver role.
**Report Restrictions:** Requesters have access to reports in PeopleSoft Production System that relate to their role, but do not have automatic access to PeopleSoft Reporting System for reporting on history.

- ✓ Who is Requester's assigned Default Approver? Department Buyer?
- ✓ What is Requester's default Ship-To Location? (Tip: choose site where goods are <u>most often</u> delivered)
- ✓ What is Requester's Procurement Dept Code for procuring goods in P2P? (Tip: code is used for running P2P reports and identifying purchases by department)

## BUSINESS PROCESS DECISIONS

**Prepare Requesters**
1. Familiarize Requesters on UCSF purchasing policies and HIPAA requirements.
2. Inform Requesters of their assigned Default Approvers, Department Buyers, and default Ship-To locations, and Receiver who will physically receive and/or record receipt of their goods.
3. Provide lists of relevant chartfields to Requesters who don't typically use them.
4. Develop lists of department ship-to locations for Requesters ordering for multiple locations.

**Develop Department Processes and Workflows**
1. Who will be the Go-To Requesters and how will they be utilized for troubleshooting.
2. How to purchase goods in Requester's absence, especially in Departments with centralized Requesting.
3. How to manage outstanding purchases (i.e., will Requesters monitor outstanding POs and contact Vendors).
4. What to write on Packing Slip and how to deliver packing slip to Receiver to record receipt in P2P.
5. How will Requesters communicate with other P2P users outside of the system; examples include:
   - Default Approvers for "high" priority items
   - Ad Hoc Approvers for non-routine approvals
   - Proxy Approvers for emergency purchases
   - Receivers when Receipts are not recorded
   - Department Buyers when Change Orders need to be processed
5. How to monitor and manage missing Receipts. (Tip: CPBC will contact Requesters for past due Receipts).
6. Who will purchase Capital Assets (Tip: ensure Requester is familiar with additional requirements).

**Determine use of Optional Features**
1. How to use optional fields:
   - **Attention** - change Attention field from Requester's name to help with delivery of goods
   - **Requisition Name** - ease searching and reporting on subsets of requisitions (Tip: use name of PI, lab, or grant)
   - **Requisition Priority** - set expectations for priorities, and determine communication path on "high" priority items
   - **Comment** fields and **Attachments** - use to communicate between users and add details to a Requisition
2. When to create Templates and Favorite Groups for routinely ordered goods , and how to share among Requesters
3. When to add Ad Hoc Approvers and Reviewers, and in what order (Sequential or Parallel)

**Establish Monitoring Procedures**
1. Which reports will Requesters use to manage purchasing activities and/or department workflow?
2. How will MSO monitor Requester activities?

# Procure-to-Pay (P2P) System

# SELF APPROVING REQUESTER (Optional)

## KEY RESPONSIBILITIES OF THE SELF APPROVING REQUESTER

- Same responsibilities as Requester but does not require additional approval on Requisitions for non-restricted goods up to $2,500; requisitions >$2,500 route to Default Approver for approval
- *See **Requester** for detailed Key Responsibilities*

## ROLE ASSIGNMENTS FOR SELF APPROVING REQUESTERS

**Privileges:** Self Approving Requesters can be added as Ad Hoc Approvers or Reviewers to other Requesters' Requisitions.
**Exclusions:** Self Approving Requesters cannot be assigned Proxy Approver, Receiver or Department Buyer roles.

- ✓ Who is Self Approving Requester's assigned Default Approver for Requisitions >$2,500?
- ✓ Who is Self Approving Requester's assigned Department Buyer?
- ✓ What is Self Approving Requester's default Ship-To Location? (Tip: choose site where goods are most often delivered)
- ✓ What is Self Approving Requester's Procurement Dept Code for procuring goods in P2P? (Tip: code is used for running P2P reports and identifying purchases by department)

## BUSINESS PROCESS DECISIONS

- *See **Requester** for detailed Business Process Decisions*

**Additional considerations for Self Approving Requesters:**
1. Ensure Self Approving Requesters know chartfields and have access to current fund balances.
2. Which reports will Self Approving Requesters use to manage purchasing activities and/or department workflow?
3. How will MSO monitor Self Approving Requester activities?

# Procure-to-Pay (P2P) System

# DEFAULT APPROVER

## KEY RESPONSIBILITIES OF THE DEFAULT APPROVER

- Does not edit quantity or add items on Requisition
- Ensures accurate chartfields and available funding
- Updates chartfields and splits funding as needed
- Assigns Ad Hoc Approvers or Reviewers based on Department Business Process
- Approves or Denies Requisition
- Designates an alternate Default Approver during absences

## ROLE ASSIGNMENTS FOR DEFAULT APPROVERS

**Privileges:** Default Approvers can be added as Ad Hoc Approvers or Reviewers to Requisitions.
**Exclusions:** Default Approvers cannot be assigned Proxy Approver or Receiver roles.

- ✓ Which Requesters will Default Approvers support?
- ✓ Who is Default Approver’s backup when absent?

## BUSINESS PROCESS DECISIONS

**Prepare Default Approvers**
1. Familiarize Default Approvers on UCSF purchasing policies.
2. Ensure Default Approvers know the chartfields used by their Requesters, and have access to current fund balances.
3. Review workload of Default Approvers to ensure they stay on top of their P2P worklists and not cause PO bottlenecks.
4. Inform Default Approvers of their assigned Requesters and related Department Buyers.

**Develop Department Processes and Workflows**
1. Who will be the Go-To Approvers and how will they be utilized for troubleshooting.
2. How to process incorrect chartfields (i.e., will Default Approver deny Requisition or change chartfields as needed)
3. How to process Requisitions not following Department Business Processes (i.e., will Default Approver deny Requisition or add missing Ad Hoc Approvers or Reviewers according to Department Business Process?)
4. How to communicate chartfield intelligence to Requesters (i.e., chartfield activations, expirations, overdrafts, etc.).
5. How regularly will Default Approvers sign into P2P and approve Requisitions.
6. How will Default Approvers communicate with other P2P users outside of the system; examples include:
   - Requesters for “high” priority items or infrequent pending approvals
   - Ad Hoc Approvers for non-routine approvals
   - Department Buyers for PO chartfield changes
7. When will Default Approver assign backup (Tip: for large volumes, backups may need to be assigned while Approver is in a long meeting whereas for low volumes, backups may need to be assigned only when Approver is out for an entire day).

**Determine use of Optional Fields**
1. How to use optional fields:
   - **Requisition Priority** - set expectations for priorities, and determine communication path on “high” priority items
   - **Comment** fields and **Attachments** - use to communicate between users and add details to a Requisition
2. When to add Default Approvers as Ad Hoc Approvers (i.e., split funded Requisitions)

**Establish Monitoring Procedures**
1. Which reports will Default Approvers use to manage purchasing activities and/or department workflow?
2. How will MSO monitor Default Approver activities?

# AD HOC APPROVER (Optional)

## KEY RESPONSIBILITIES OF THE AD HOC APPROVER

- Added to each individual Requisition as additional approver according to Department Business Process
- Does not edit quantity or add items on Requisition
- Does not edit chartfields
- Approves, Denies or Pushbacks Requisition to previous Approver
- Assigns additional Ad Hoc Approvers or Reviewers based on Department Business Process

## ROLE ASSIGNMENTS FOR AD HOC APPROVERS

**Privileges:** Ad Hoc Approvers can be added as Reviewers to Requisitions.
**Exclusions:** Ad Hoc Approvers cannot be assigned Proxy Approver role.

✓ Who is Ad Hoc Approver’s backup when absent?

***Note:*** *Assigning Ad Hoc Approvers adds to the processing time for a Requisition as ALL approvers must approve before Requisition is converted into a PO and dispatched to Vendor. Department may consider using Reporting tools in lieu of assigning Ad Hoc Approver roles. Reports are available to monitor particular purchases such as high dollar value, product categories, etc.*

## BUSINESS PROCESS DECISIONS

**Prepare Ad Hoc Approvers**
1. Review workload of Ad Hoc Approvers to ensure they stay on top of their P2P worklists and not cause PO bottlenecks.
2. Inform Ad Hoc Approvers of the purpose of their Requisition review and approval (i.e., scientific approval, technical expertise, dollar limits, etc.).

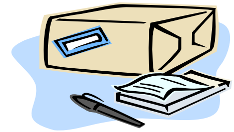
**Develop Department Processes and Workflows**
1. How to route Requisitions to Ad Hoc Approvers
   - Sequential order – Requisition routes first to Default Approver for approval, then to Ad Hoc Approver(s)
   - Parallel order – Requisition routes to Default Approver and Ad Hoc Approver(s) concurrently
2. How to process Requisition changes (i.e., will Ad Hoc Approvers deny Requisition or pushback for changes).
3. How frequently will Ad Hoc Approvers sign into P2P and approve Requisitions (Tip: if volume is low, determine process to alert Ad Hoc Approvers of pending approvals).
4. How to route approvals in Ad Hoc Approver’s absence.

**Determine use of Optional Fields**
1. How to use optional fields:
   - **Requisition Priority** - set expectations for priorities, and determine communication path on “high” priority items
   - **Comment** fields and **Attachments** - use to communicate between users and add details to a Requisition

**Establish Monitoring Procedures**
1. Which reports will Ad Hoc Approvers use to manage purchasing activities and/or department workflow?
2. How will MSO monitor Ad Hoc Approver activities?

# Procure-to-Pay (P2P) System

# RECEIVER



## KEY RESPONSIBILITIES OF THE RECEIVER

- Records timely receipt of goods in P2P

## ROLE ASSIGNMENTS FOR RECEIVERS

**Exclusions:** Receivers cannot be assigned Proxy Approver, Default Approver, Department Buyer or Self Approving Requester roles.
**Report Restrictions:** Receivers have access to reports in PeopleSoft Production System that relate to their role, but do not have automatic access to PeopleSoft Reporting System for reporting on history.

- ✓ Are Receivers also Requesters? If not, which Requesters will Receivers support?
- ✓ Who is Receiver's backup when absent?

## BUSINESS PROCESS DECISIONS INVOLVING RECEIVERS

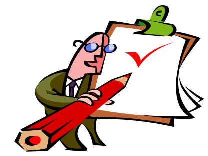
**Prepare Receivers**
1. Review workload of Receivers to ensure they stay on top of their P2P receiving responsibilities so Vendors are paid on schedule.
2. Inform Receivers of the Requesters they support.

**Develop Department Processes and Workflows**
1. Who will be the Go-To Receivers and how will they be utilized for troubleshooting.
2. How to physically receive shipments of goods:
   - Who will track down missing documentation
   - How to handle partial receipts or damaged goods
   - What to write on packing slips to verify receipt of goods
3. How to route paper packing slip from physical receiver of goods to P2P Receiver to record receipt.
4. What to write on packing slip when receipt recorded in P2P (Tip: best practice is to record date and Receipt ID).
5. How to file packing slip (Tip: best practice is to file by PO ID, date, or Vendor).
6. How frequently will Receivers sign into P2P and record receipts (Tip: CPBC will contact Requesters for past due Receipts).
7. How to record receipt of goods in Receiver's absence.
8. How will Receivers communicate with other P2P users outside of the system; examples include:
   - Requesters for delivery arrivals
   - Requesters for missing Receipts
   - Department Buyers for partial shipments
9. Who will record receipt of Capital Assets (Tip: ensure Receiver is familiar with additional requirements).

**Determine use of Optional Fields**
1. How to use optional fields:
   - **Packing Slip Reference** field – helps resolve receipt entry errors; recommended practice for distributed receiving
   - **Notify** feature – allows emails within PeopleSoft to other P2P users; email includes a direct link to the Receipt
   - **Comment** fields – when to expect "Show at Receipt" comments from Requester or Department Buyer

**Establish Monitoring Procedures**
1. Which reports will Receivers use to manage purchasing activities and/or department workflow?
2. How will MSO monitor Receiver activities?

# DEPARTMENT BUYER



## KEY RESPONSIBILITIES OF THE DEPARTMENT BUYER

- Listed as buyer of record on POs not routed through CPBC
- As buyer of record, serves as Vendor contact with name, phone number and email appearing on PO
- Processes and approves change orders on POs up to $5,000
- Coordinates change orders with CPBC when POs >$5,000 or CPBC is buyer of record
- Updates chartfields on POs
- Coordinates with CPBC to resolve Match Exceptions

## ROLE ASSIGNMENTS FOR DEPARTMENT BUYERS

**Exclusions:** Department Buyers cannot be assigned Proxy Approver, Receiver or Self Approving Requester roles.

- ✓ Which Requesters will Department Buyers support?
- ✓ Who is Department Buyer's backup when absent?

## BUSINESS PROCESS DECISIONS

**Prepare Department Buyers**

1. Familiarize Department Buyers on UCSF purchasing policies.
2. Review workload of Department Buyers to ensure they stay on top of their P2P responsibilities.
3. Inform Department Buyers of their assigned Requesters and related Default Approvers.

**Develop Department Processes and Workflows**

1. Who will be the Go-To Department Buyers and how will they be utilized for troubleshooting.
2. How to process calls and emails from Vendors for order confirmations. How will information be shared with Requesters?
3. How to handle calls and emails from Vendors on backorders, substitutions, etc.
4. How to manage outstanding purchases (i.e., will Department Buyers monitor outstanding POs and contact Vendors?).
5. How to communicate with Requesters and Default Approvers on change orders and chartfield changes.
6. How to process change orders in Department Buyer's absence.
7. Who will work with Vendors in Department Buyer's absence (Tip: include routing of emails and phone calls from vendors)
8. How to coordinate with CPBC, Requesters, Approvers, and Receivers to resolve match exceptions in a timely manner.

**Determine use of Optional Fields**

1. How to use optional fields:
   - **Notify** feature – allows emails within PeopleSoft to other P2P users; email includes a direct link to the Change Order
   - **Comment** fields – how and when to enter comments for Vendors, Receivers, and AP

**Establish Monitoring Procedures**

1. Which reports will Department Buyers use to manage purchasing activities and/or department workflow?
2. How will MSO monitor Department Buyer activities and ensure requirements are met in the change order process?

# Procure-to-Pay (P2P) System

# VIEWER

## KEY RESPONSIBILITIES OF THE VIEWER

- View-only access to run P2P reports in PeopleSoft Production and PeopleSoft Reporting Systems

## ROLE ASSIGNMENTS FOR VIEWERS

**Exclusions:** When a Viewer is responsible for ledger verification, role assignment should comply with SAS 112 and campus procurement policy on segregation of duties.

- ✓ Role assignment is required for ledger verification.
- ✓ Viewer role should be assigned to any user who needs to run ANY report on P2P activity.

## BUSINESS PROCESS DECISIONS

1. Develop segregation of duties for Viewers who verify ledgers.
2. Determine which reports Viewers will use to manage purchasing activities and/or department workflow.

# Procure-to-Pay (P2P) System

# PROXY APPROVER (Optional)

## KEY RESPONSIBILITIES OF THE PROXY APPROVER

- Reviews and approves Requisitions in urgent situations when Default Approver has not assigned a backup
- Assigns Ad Hoc Approvers or Reviewers when needed
- Does not edit Requisition
- Has ability to review, approve or deny ANY UCSF Requisition

## ROLE ASSIGNMENTS FOR PROXY APPROVERS

**Privileges:** Proxy Approvers can be added as Reviewers to Requisitions.
**Exclusions:** Proxy Approvers cannot be assigned any other role.

- ✓ Limit role assignment to no more than one senior administrator per department/work unit
- ✓ Consider workaround solutions rather than assigning or using this role
- ✓ Is Proxy Approver knowledgeable on UCSF purchasing policies and guidelines, or chartfield information?

***Note:*** *Requisitions approved by Proxy Approvers will be monitored centrally to ensure role is used appropriately.*

## BUSINESS PROCESS DECISIONS

1. Develop process for using this role (i.e., define what constitutes an urgent situation)
2. Brainstorm on workaround solutions (Tip: cancel Requisition and reissue purchase by another Requester in the department whose Default Approver is available and then add missing Default Approver as Reviewer)
3. Determine how Proxy Approver is contacted when needed
4. Determine which reports MSO will use to monitor Proxy Approver activities

# Procure-to-Pay (P2P) System

# REVIEWER (Optional)

## KEY RESPONSIBILITIES OF THE REVIEWER

- Added to each individual Requisition according to Department Business Process
- Does not edit anything on the Requisition
- Receives worklist item to review Requisition for informational purposes only and is not required to take action

## ROLE ASSIGNMENTS FOR REVIEWERS

**Report Restrictions:** Reviewers have access to reports in PeopleSoft Production System that relate to their role, but do not have automatic access to PeopleSoft Reporting System for reporting on history.

✓ Consider assigning Reviewer role instead of Ad Hoc Approver role to minimize PO bottlenecks

***Note:*** *Assigning Reviewers does not add to the processing time for a Requisition but does require the user to enter PeopleSoft and review individual items on a worklist. Department may consider using Reporting tools in lieu of assigning Reviewer roles. Reports are available to monitor particular purchases such as high dollar value, product categories, etc.*

## BUSINESS PROCESS DECISIONS

1. Determine process for using Reviewers (i.e., scientific review, dollar limits, split funding, etc.)

# Sample P2P Roles Scratch Sheet

Below is a sample Scratch Sheet that departments are encouraged to create in preparation of loading user data into the P2P Data Collection Tool.

Steps to identify users and roles:
(1) Who are your **Department Buyers** and **Default Approvers**?
(2) Who are your **Requesters** and how do they link to your **Department Buyers** and **Default Approvers**? Will any **Requesters** be **Self Approving Requesters** or **Receivers**?
(3) Who are your additional **Receivers**?
(4) Who needs the **Viewer** role to run ANY P2P report?
(5) If and how will you assign the optional roles of **Ad Hoc Approver**, **Reviewer** and **Proxy Approver**?

| User's Name | Requester | Default Approver | Department Buyer | Receiver | Viewer | Ad Hoc Approver | Other |
|---|---|---|---|---|---|---|---|
| Diane | | X (for Sally >$2500) | X (for all) | | | | Backup Default Approver for Debra |
| Debra | | X (for Rick and Ryan) | | | | | Backup Default Approver and Department Buyer for Diane |
| Rick | X | | | X (self) | | | |
| Ryan | X | | | X (self + Sally) | | | |
| Sally | X (self approving) | | | | | | |
| Victoria | | | | | X (for Ledger Verification) | | |
| Alex | | | | | | X (for lab purchases) | |
| Madelyn (MSO) | | | | | X (for full reporting access) | | X Proxy Approver |

To load user data into the P2P Data Collection Tool, you will need additional data:

- For every P2P user, you will need their name or IID (aka, Employee ID), current phone and email.
- For each Requester and Self Approving Requester, you will also need their **Default Approver**, **Department Buyer**, Default Ship-To Location, and Procurement Dept Code.
- For each Department Buyer, you will have the option to designate a backup **Department Buyer** and will be required to designate those with Associate Buyer delegation.