

1) Will KMSF run through SAP?

Yes. KMSF Financials will run through SAP. The go-live date is January 1, 2006. Their purchasing processing will continue as it is today.

2) Food and Hotel Purchases over \$5000.00 would this be a DAV or a requisition (i.e. speakers in for conferences or those who travel)?

Food and Hotel Purchases related to employee travel is reimbursed on a travel voucher. Payments for speakers should be done on a DAV. Payments for conference, exhibit, or meeting space may be accomplished on the procurement card or DAV. For further information you may refer to the Purchasing/AP Quick Reference Guide on the UK Purchasing website.

3) Some of our vendors **do not have fax machines**, email, etc.. How will they receive orders?

We can mail them. Also, once the purchase order is created, the department can provide the vendor the number over the telephone. The default transmission of purchase orders to vendors is an automated faxing process. Therefore, if the department wishes something else, they need to communicate that to us as part of the requisitioning process.

4) Some products can only be procured from individuals who **do not take the procard** but submitting a Purchase Requisition ahead of time is not feasible. Currently these individuals/businesses are paid by DAVs.

DAVs will no longer be used to make purchases. Therefore, there are two options to solving this problem. One, if possible, find a different vendor who accepts the procurement card. If that is not feasible, we can set up a purchase order for an estimated dollar amount for the entire fiscal year. The vendor is informed of the purchase order number and submits invoices for each purchase throughout the year. The department will not need to create a new document after each purchase but simply do a goods receipt on line. The requisition creator should contact the appropriate Contracting Officer in Purchasing for assistance.

5) How will KMSF invoicing be handled in SAP?

KMSF's process's have not been fully designed at this point because they are on a January timeline so the training and processes will be taught after October 1.

- 6) If we are making a payment to an overseas vendor, how are those dollars converted for payment?

In the case of POs, they should be written in US dollars and the vendor should be advised to invoice in US dollars. If departments have a need to make a DAV payment to a foreign vendor, and the vendor request the payment in the foreign currency, the following takes place. A.) The department requests a DAV payment to our bank (the bank on which AP checks are drawn) in US dollars. The department picks up the check and takes it to our bank where it is converted to a check in foreign currency and make payable to the foreign vendor. That check is then mailed by the department to the vendor. The alternative to this process is the department requests by DAV a wire transfer in the foreign currency. The wire is processed by Treasury Services and is posted by AP as a "prepayment".

- 7) Can \$5,000 limit be raised for specific pharmacy items on pro-card that are routinely over \$5,000?

Permanent increases to the procurement card single transaction limit are made on a case-by-case basis. Requests should be sent via e-mail to Bill Harris.

- 8) Pro-card editing due at beginning of Sept. will this now be done at the beginning of Oct.?

Procard users will be required to edit and post all their procard transactions in FRS by the end of Sept. Transactions that are not edited by the departments will be "Force Posted" to FRS. AP is working with Paymentnet to convert to the SAP accounting format and upon conversion those transactions will begin to appear in SAP. Departments will, of course, edit these in SAP beginning Oct. 1st.

- 9) What is the tolerance for errors made to pro-card editing?

There is no tolerance. The transaction is automatically posted initially to the "Procard Default Cost Object". Further editing of this transaction must balance to the amount initially posted or the "edit transaction" will not post.

- 10) If data is real time, what is the time allotted to be able to correct errors?

Departments will be allotted the same amount of time to further edit their transactions as the current process. Depending on the transaction date it could be up to 60 days. Procurement card training will be held at a future date prior to October 1, 2005.

11) Will we be able to see the check number and date for each payment? If so, where?

You can access the check information from the PO by clicking on the Purchase Order History tab. Double Click the invoice to display. Click Follow On Documents. Select Accounting Documents. Select Environment from the top and click Check Information. If the Check has been written it will take you to the check information if it has not it will say "No check information was found".

12) Where do freight charges on invoices show? We didn't see this in MIRO.

Freight charges appear on the Details tab in the Invoice Display under Unplanned Delivery Costs.

13) Also, there were several questions about DAVs. We were unable to answer much about what DAV items were going to go to SAP, and which would try to stay as DAVs. We are telling the classes there are two ways to purchase, Procurement Card and Requisition. Maybe a clarification of appropriate DAV uses could be produced before October 1.

Regarding DAVs, they will continue to be processed as they are now when we "go live" on October 1st. However, there are policy changes. The purchase of goods will require either a PO or procurement card. Speaker fees, subscriptions, reimbursement for official guests, reimbursements for official dinners, etc will continue to be processed on a DAV. The major change is that a person will not be reimbursed without prior approval from Purchasing for something that should have been purchased on a PO or procurement card. There is an AP/PO Quick Reference Guide on the Purchasing website under "Purchasing News." This guide helps explain what can and cannot be purchased on a DAV.

14) Will it be possible to search for a transaction code if you know what the function is and don't know where it's located in the SAP main menu? For example, this person is at the main IT information desk and wants to know if someone calls him and needs to know what the transaction code is for receiving. If he doesn't know it, is there a place where he can search for "receiving" and find the transaction code ("MIGO" for this example)?

Yes. Searches may be conducted by double clicking on the binoculars on the Easy Access screen.

15) Will a line item on a PO partially pay if it has been partially received and partially invoiced?

Yes, as long as the invoice and goods receipt match.

16) How will any open PO's remaining in FRS on October 1 be handled for payment? Will they be converted into a PO in SAP and if so, will receiving be required to insure the goods were received and they were in good shape?

The specific circumstances for each open purchase order situation will be handled as follows:

Open purchase orders, invoiced but not received

Prior to September 30th, Purchasing will contact departments to request receiving be done so the invoice can be released for payment. In cases where the receipt of the goods will not occur until after October 1st, Purchasing will provide Accounts Payable with a list of these purchase orders. Accounts Payable will pull the invoices and send them to the department to process the payment on a Vendor Invoice Transmittal and Payment Authorization form. This form will serve as the authorization that the goods were received. The Vendor Invoice Transmittal and Payment Authorization form should reference the purchase order number and include the appropriate SAP cost object (account number). Departments should forward the form to Accounts Payable and payment will be processed in SAP.

Open purchase orders, receiving complete but not invoiced

After October 1st, when Accounts Payable receives an invoice for an FRS purchase order, they will check the system to verify if receiving has been completed. If it has, the invoice will be processed for payment in SAP as a direct payment.

Open purchase orders, no invoice and no receiving complete

After October 1st, when invoices are received for purchase orders in FRS and receiving has not been completed, Accounts Payable will send the invoice to the department for processing on a Vendor Invoice Transmittal and Payment Authorization Form.

Any open purchase order as of September 30th will be liquidated in FRS. Departments shall make payments for X-orders by completing a Vendor Invoice Transmittal and Payment Authorization form (referencing the X purchase order number) with the appropriate SAP account numbers and forwarding the form to

Accounts Payable. A payment will be made as a direct pay in SAP. The Vendor Invoice Transmittal and Payment Authorization form will serve as the authorization that the goods were received and a goods receipt in SAP will not be required.

For open purchase orders in FRS requiring payments over an extended period of time (for example, personal services, leases, copiers) departments will be required to enter a requisition in SAP to create a new purchase order. Departments need to verify the correct balance to carry forward in SAP before creating a new requisition. These purchase orders will require the creation of a goods receipt in SAP to complete the payment.