TechMart
Procure-to-Pay (P2P)
Where We Are Today

Presented to:
Campus
by:
Tina Lowenthal, Director of Procurement Services
Genelle Vinci, Contracting Manager
Joey Janssen, Accounts Payable Manager

August 1 & 2, 2018
Agenda Items

• Acknowledgements
• Life Cycle of Change
• TechMart P2P Today
• Accomplishments
• Challenges
• Terminology/Glossary of Terms
• Airgas Update
• Final Tidbits
• Contacts and Introductions – AP Specialists and Specialty Team
• Helpful Resources
Acknowledgements

• Executive Steering Committee
• Division Administrators & Department Heads
• Division/Department Stakeholders
• Procurement Staff
• Campus!!

Thank you!
Life Cycle of Change

1st Communication or 1st Rumor

Dept. A

Dept. B

Dept. C

Dept. D

Productivity loss
Employee dissatisfaction
Passive resistance

Turnover of valued employees
Tangible customer impact
Active resistance
Opt-out of the change

Prosci® Flight Risk Model
TechMart P2P Today*

• Requisitions

<table>
<thead>
<tr>
<th>Requisitions</th>
<th>Count</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Requisitions</td>
<td>12,745</td>
<td></td>
<td>$43,256,751</td>
<td></td>
</tr>
<tr>
<td>&lt; $1,000</td>
<td>10,552</td>
<td>83%</td>
<td>$2,285,923</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

• Active TechMart Users

<table>
<thead>
<tr>
<th>Active TechMart Users</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before Go-Live</td>
<td>1,573</td>
</tr>
<tr>
<td>Currently</td>
<td>1,712</td>
</tr>
</tbody>
</table>
**TechMart P2P Today**

- **Payment Requests**

<table>
<thead>
<tr>
<th>PTA Payment Requests</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Process</td>
<td>33</td>
</tr>
<tr>
<td>Paid</td>
<td>1,532</td>
</tr>
<tr>
<td>Payable</td>
<td>118</td>
</tr>
</tbody>
</table>

- **Invoices**

<table>
<thead>
<tr>
<th>Invoice Source</th>
<th># of Invoices</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automated</td>
<td>769</td>
<td>$932,584</td>
</tr>
<tr>
<td>Digital Mailroom Import</td>
<td>12,352</td>
<td>$35,352,872</td>
</tr>
<tr>
<td>Electronic</td>
<td>7,735</td>
<td>$1,905,172</td>
</tr>
<tr>
<td>Form Request</td>
<td>2,247</td>
<td>$12,156,589</td>
</tr>
<tr>
<td>Manual</td>
<td>461</td>
<td>$2,218,715</td>
</tr>
<tr>
<td>Supplier Portal</td>
<td>50</td>
<td>$22,709</td>
</tr>
<tr>
<td>Grand Total</td>
<td>23,614</td>
<td>$52,588,641</td>
</tr>
</tbody>
</table>

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*from May 7, 2018 through July 31, 2018*
TechMart P2P Today*

• Payments

<table>
<thead>
<tr>
<th>Pay Status</th>
<th># of Invoices</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Process</td>
<td>6,642</td>
<td>$24,389,680</td>
</tr>
<tr>
<td>Paid</td>
<td>15,579</td>
<td>$26,146,581</td>
</tr>
<tr>
<td>Payable</td>
<td>1,393</td>
<td>$2,052,380</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>23,614</strong></td>
<td><strong>$52,588,641</strong></td>
</tr>
</tbody>
</table>

• Invoices with No Exceptions (Cognos)

<table>
<thead>
<tr>
<th>Invoices with No Exceptions</th>
<th># of Invoices</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fully Paid</td>
<td>5,011</td>
<td>$2,966,076</td>
</tr>
<tr>
<td>Not Paid</td>
<td>100</td>
<td>$54,668</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>5,111</strong></td>
<td><strong>$3,020,744</strong></td>
</tr>
</tbody>
</table>

*from May 7, 2018 through July 31, 2018*
Achieved Goals

- Reduce the number of A/P manually entered invoices by at least 50% by utilizing e-invoicing and supplier portal
- Reduce the amount of invoices reviewed by at least 50% by moving to exception based processing
- Make TechMart an integrated platform for requisition & invoice approval
- Increase passive approval limit to $5,000 or more
- Establish a supplier self-service portal for invoice submission and payment inquiries
- Establish ePayables Program, specifically with high-volume suppliers
Achieved Goals

- Align “rogue” Campus processes under policy
- Establish management controls over financial approvals
- Procurement as a paperless environment
- Create transparency of Procurement transactions
- CCT for Research Subcontracts
Challenges
Payment Requests

• A Payment Request is used for certain types of commodities for which a formal purchase order is not required or where negotiation by Purchasing Services adds no value

• All Payment Requests require a Financial Approval in TechMart, regardless of dollar value

• Challenge
  • For Campus
    • Deciding when to use a Payment Request (i.e. versus an Employee Reimbursement, Purchase Requisition, or Travel Expense Report)
    • Procurement processing turn-around time
    • New workflow:
      • Email notification for Form Requests: Returns & Rejections

  • For Procurement
    • Deciding when to use a Payment Request...too many gray areas
    • Jaggaer is evolving Form Request functionality; improvements are on the way
    • System issue using Form Request Favorites
Payment Requests

Form Request Workflow for Form Request Name has been Rejected

RE: Form Request Workflow for Form Request Name has been Rejected

Dear Joe Smith,

Your request for Form Request Name has been rejected. To view the reason for rejection, click on the link below and click on the blue “History” option at the top right.

Click here to view the request in your organization’s site

Thank You,

Acme Sprockets

Support Team Contact Information:

1-999-999-9999x9999

support@sciquest.com

Instructions

Caltech

Complete this form and attach all supporting documentation to justify the request. Please refer to the Payment Request Usages List and Procedure located here.

If your request is for payment to a new supplier, enter "New Supplier" in the required Supplier section.
Receiving

• Receiving threshold is set by each Academic Division or Department Head
• It is the limit at which invoices must be received (a receipt created) in TechMart, in order for invoices to be paid
• Required receipts are based on PO value
• What’s my receiving threshold?

• Challenge:
  • For Campus
    • Understanding Goods Receipt vs Cost Receipt
    • Email notification for receipt
  • For Procurement
    • Pending payment due to missing receipt; impact on payment
Financial Approvals

• **General Rules:**
  - Every transaction **requires Financial Approval** – either in Requisition Workflow OR Invoice Workflow, but **NOT both**.
  - Financial Approval **will always be required** for Payment Requests, Employee Reimbursements and ATF – No Exception.

• **EXCEPTION:** Financial Approval **is NOT required** for PO-matched invoices <$1,000.
Financial Approvals

• **Challenge:**
  - For Campus
  - Why do I have to select a Requisition Financial Approver?
  - Why do I keep receiving emails from SciQuest?
  - Email notification for approval vs email notification for no action required

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**IFA1 Approval Request for Invoice# V3216**

Dear IFA1,

The invoice listed below has been submitted for your approval.

**Summary**

- **Folder:** IFA1
- **Invoice Owner:** Requisitioner 1
- **Invoice No:** V3216
- **No. of line Items:** 1
- **TOTAL:** 1,069.82 USD

**Details**

- **Item 1 PO Number:** 7002419
- **Description:** Outer Glass Plates
- **Supplier:** BIO RAD LABORATORIES INC dba LIFE SCIENCE GROUP
- **Catalog Number:** 1051622
- **Quantity:** 20
- **Unit Price:** 50.22 USD
- **Ext. Price:** 1,004.40 USD
- **Size/Packing:** 2 Unit EA
- **Taxable:** Yes
- **Capital Expense:** No
- **Commodity Code:**

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**New Notification Available for Review for Invoice#: Invoice120122**

Re: Notification Available for Review for Invoice #: Invoice120122

Dear Joe Smith,

The invoice listed above is available for review under "notifications" in the approvals section of TechMart, and can be accessed in "approvals->notifications->Invoice Notifications" or by selecting the URL below. No action is required on your part to move this voucher along in the approval process. The voucher notification can be removed from your notification list by selecting the "Remove" button.

**Click here to view invoice**

If you have any questions with regard to reviewing this Invoice, please contact your TechMart Help.

TechMart Help Information:

1-909-909-9090

support@sciquest.com

Thank You,

Acme Sprockets
Financial Approvals

• **Challenge:**
  • *For Procurement*
    • No challenges – great job to all our TechMart Financial Approvers!

• **Don’t Forget**
  • *Financial approval is available on the Jaggaer mobile app*
  • *Financial Approvers may designate a substitute approver when they are out of the office*
Email Notifications

• There are over 100 different email notifications available in TechMart

• Primary Example
  • Receiving Email Notification – Each Requisitioner is responsible for creating their own receipts for their POs. Procurement recommends keeping your email notification on.
  • Receiving Exception – CCE/BBE/LIGO/FAC; users in in these areas can turn their email notifications OFF, since an identified user(s) is responsible for their Department’s receiving

• Challenge:
  • For Campus
    • What specific notifications do I turn on or off?
    • How do I turn them on/off?

• Procurement
  • Procurement emails getting lost in users’ inbox
Procurement Recommended Email Notifications

**Requisitioner**
- Requisition rejected
- PO Workflow complete

**Requisition Financial Approver**
- Requisition Workflow complete/PO created
- Requisition pending Workflow approval

**Shopper/Receiver**
- Requisition Rejected
- Invoice Requires Receipt notice
- Receipt reminder notification
- PO Workflow Complete

**Form Requests**
- Form Request Rejected in Workflow
- Form Request Completed in Workflow

**Invoice Financial Approver**
- Invoice Workflow Notification available
- Invoice pending Workflow approval
- Invoice Returned
## Terminology/Glossary of Terms

<table>
<thead>
<tr>
<th>3-WAY vs. 2-WAY RECEIVING/MATCHING</th>
<th>3-Way Match – PO, Invoice, and Receipt match; 2-Way Match – PO and Invoice match (Quantity and Price)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFTER-THE-FACT (AFT)</td>
<td>Unauthorized Supplier transactions made on behalf of Caltech that run counter to Caltech purchasing policies and procedures, and are monitored for training and reporting purposes. All After-the-Fact purchases, regardless of dollar value, require justification and financial approval</td>
</tr>
<tr>
<td>COST RECEIPT</td>
<td>Used with Declining Balance PO’s for releasing a desired amount of the value of the PO</td>
</tr>
<tr>
<td>DECLINING BALANCE PO</td>
<td>Used for the purchase of goods or services over a fixed period of time, with a set dollar amount and PTA</td>
</tr>
<tr>
<td>DEFAULT APPROVER</td>
<td>The individual to whom a Requisition or Invoice automatically routes for additional approval</td>
</tr>
<tr>
<td>GOODS RECEIPT</td>
<td>Used with Spot Buy and catalog orders to confirm receipt of goods of by indicating actual amount of quantity received</td>
</tr>
<tr>
<td>INVOICE</td>
<td>The Supplier document sent to <a href="mailto:accountspayable@caltech.edu">accountspayable@caltech.edu</a> or mailed to PO Box 3237, Scranton, PA 18505, to request payment for goods and/or services provided by the Supplier</td>
</tr>
<tr>
<td>INVOICE OWNER</td>
<td>Invoices associated with a Requisition inherit the Requisitioner as the Invoice Owner. Receiving thresholds and Financial approval is based off the Invoice Owner.</td>
</tr>
<tr>
<td>PAYMENT REQUEST</td>
<td>Form used to request payment for purchases identified on the Payment Request Usages List</td>
</tr>
<tr>
<td>RECEIPT</td>
<td>Electronic document created by the Invoice Owner (Requisitioner), to confirm items received or services performed as agreed</td>
</tr>
<tr>
<td>REQUISITION</td>
<td>Official request to make a purchase; once approved, is converted to a Purchase Order</td>
</tr>
<tr>
<td>REQUISITIONER</td>
<td>An individual who has been given authority by their Division/Department to submit electronic requests for items or services</td>
</tr>
<tr>
<td>WIRE TRANSFER</td>
<td>Method of transferring funds electronically; generally for foreign payees only – exceptions are allowed for Finance &amp; Treasury for same day payments to domestic suppliers</td>
</tr>
<tr>
<td>VOUCHER</td>
<td>Internal to Caltech, it is a unique number assigned by TechMart to each Supplier Invoice. Voucher numbers begin with a “V”</td>
</tr>
</tbody>
</table>
Airgas Update

- Starting on 8/1/18, any **new** orders placed through the Airgas punchout in TechMart will now reflect a one-time cylinder processing fee instead of monthly cylinder rental invoices
- If you currently have existing cylinders that you need to keep, you will still continue to receive the monthly cylinder rental invoices until that cylinder has been returned to Airgas

**WHAT YOU CAN DO TO HELP:**
- If you have old Airgas cylinders laying around please return them to eliminate continued monthly cylinder rental invoices
- If you want Facilities to pickup your old/empty cylinders, for a fee, go to the AiM Customer Portal, select “Transportation”, and then click on “Moves”

  ![Transportation](image1) ➔ ![Moves](image2)

- For orders placed after 8/1, Facilities will deliver the new tank to you in exchange for the old/empty tank, **free of charge**!

For Purchasing questions, please contact Genelle Vinci @ x6276 Genelle.vinci@caltech.edu
For Cylinder Transportation questions, please contact Raul Turcios @ x4780 raul.turcios@caltech.edu
Final Tidbits ...

• On an Invoice...
  • Handling is charged to the PTA & E-Type designated on the PO
  • Shipping is charged to the PTA designated on the PO & E-Type, *Shipping Charges*

• One invoice per *Supplier After-the-Fact Requisition*

• Supplier “Invoice Rejection” letter

• When sending documents to *accountspayable@Caltech.edu*
  • Copy of the email image does not come over as part of the invoice (notes you enter will be disregarded)
  • If you have a multiple page invoice, it needs to be one pdf document
  • Mitigate Duplicates
<table>
<thead>
<tr>
<th>Workflow Step</th>
<th>A/P &amp; Specialty Team Contacts per TechMart</th>
</tr>
</thead>
<tbody>
<tr>
<td>After-The-Fact Review</td>
<td>Trinidad &amp; Grace</td>
</tr>
<tr>
<td>Alrgas</td>
<td>Lilly</td>
</tr>
<tr>
<td>Cancelled / Closed PO's</td>
<td>Martha</td>
</tr>
<tr>
<td>Credit Memo</td>
<td>Cheryl &amp; Grace</td>
</tr>
<tr>
<td>DMR No Invoice Owner</td>
<td>Trinidad &amp; Grace</td>
</tr>
<tr>
<td>DMR Notification</td>
<td>Vivian &amp; Lilly</td>
</tr>
<tr>
<td>e-Payables</td>
<td>Lilly &amp; Eva</td>
</tr>
<tr>
<td>Employee (Reimbursement)</td>
<td>Vivian &amp; Cheryl</td>
</tr>
<tr>
<td>Matched Exceptions</td>
<td>Cheryl &amp; Eva &amp; Martha</td>
</tr>
<tr>
<td>Payment Request (freight)</td>
<td>Vivian &amp; Lilly</td>
</tr>
<tr>
<td>Subcontract Invoice/closeout</td>
<td>Trinidad &amp; Grace</td>
</tr>
<tr>
<td>Wire Review</td>
<td>Trinidad &amp; Vivian</td>
</tr>
<tr>
<td>Withholding Review</td>
<td>Specialty Team</td>
</tr>
</tbody>
</table>
Meet your AP Specialists...

From left to right: Grace Parra, Eva Kiss, Cheryl Hernandez, Lilly Mendez, Vivian Niller. Not pictured: Trinidad Rivera & Martha Penunuri
Meet your Specialty Team...

Hazel Hall

Tatjana Cormarkovic

Monique McMillan

Theresa Perez
Helpful Resources

Procurement Hotline:
   Extension – 8900
   Email – techmarthelp@caltech.edu

Links:
• P2P Training Documents http://procurement.sites.caltech.edu/p2p/p2p-training-1
• Approval Workflow http://procurement.sites.caltech.edu/p2p/approval-workflow
• P2P Info (ePayables, Terms, Supplier Portal)
  http://procurement.sites.caltech.edu/p2p/info
• Payment Request Usages List
  http://procurement.sites.caltech.edu/departments/payment/payment-policies-procedures
Questions?