

BCM Procurement Q&A

Purchasing is asking that we NOT change any purchase orders, but Accounts Payable is asking us to change them. Which directive should we follow?

As of Fiscal Year 2020, Baylor College of Medicine policy is to create new purchase orders for every fiscal year. Purchase orders (excluding subcontracts) should not roll from year to year. All old, open purchase orders will be closed, starting with leases and their associated services. Next, purchase orders for ongoing services such as repair technicians or temporary labor will be closed as they are identified. During this phased cleanup approach, AP is trying to pay and clear out pending invoices.

Can we have clarity on the [Uniform Guidance policy](#) when a PO request is on an unrestricted account not a grant?

Supply Chain is utilizing a consistent process for both grant and unrestricted fund purchases. Exceptions can be approved on a case by case basis for unrestricted purchases.

Will BCM Purchasing continue to require a quote from the vendor, regardless of the price?

Yes. It is imperative that BCM receives a quote so that pricing is guaranteed. Without a quote, a vendor could potentially invoice for a different amount than agreed upon during purchase. Further, on transactions greater than the UG micro purchase threshold of \$50K, a minimum of three quotes or one quote with a correctly justified sole source purchase form is required to ensure adequate competitive sourcing.

The order must be made to the supplier who provides the best value to the College. This does not always necessarily mean a lower price. (E.g., a product may cost slightly more with one vendor but includes a five-year warranty).

Utilizing your PCard (on transactions up to \$3K) can ease the burden of obtaining a quote.

The new policy is that all purchase orders must encumber the full 12-month cost estimate for your purchase. Is this for all types of “service” or “product”? If not, which types of purchases?

A full fiscal year (12 months) encumbrance is required for service, lease, and all standing, “blanket” orders that you make regularly.

Some vendors charge for freight/shipping, but the pricing may have changed, which we have no control over. We only find out when the invoice is posted, and a “Blocked Invoice” email is sent to us because the price does not exactly match what was entered on the Shopping Cart when the original order was placed. Can Supply Chain simply adjust the pricing on the PO without sending out a “Blocked Invoice” email?

“Unplanned” freight/shipping charges will be paid without requiring any adjustments to the PO.

I noticed that you can't delete lines from a PO anymore. I'm wondering if that is a permanent feature and why they don't announce these changes when they happen.

We have not made any changes to the system configuration or access. However, departments should not be updating or adjusting PO's unless it is part of the AP cleanup process referenced above.

Can I still do a standing order for liquid nitrogen from Airgas?

While the Airgas PunchOut has been established and this is the preferred method for ordering, you can have a standing, reoccurring order if the delivery schedule is identified. Contact Procurement in order to ensure expectations on deliveries are met. For instance, if you need to purchase ten tanks, please let us know which **dates** you would like to receive the order and at what quantity. This will be printed on the PO as a **set delivery schedule** for Airgas to follow. Any additional tanks or gas needed outside the PO quantity should be ordered through the PunchOut site.

PunchOut ordering: Standard procedures are to submit your order before 1 PM three days prior to the preferred day of delivery. For example, orders for tanks needed on Friday should be placed on Tuesday before 1 PM. The PunchOut can also be used for urgent orders. Instructions on expedited deliveries, how to navigate and utilize features such as scheduling tank/cylinder pick-ups, maintenance best practices, and more are available by clicking Customer Service → Learn More About Airgas.com.

What criteria does BCM Supply Chain use to determine its preferred suppliers?

Supply Chain Management continues to seek opportunities for vendor consolidation by negotiating sustainable contracts and establishing partnerships with suppliers who align with the College missions. This allows standardization of our current operations and increases efficiency for you as the end user. The evaluation process considers "total cost of ownership" and not just price. If you find items at a lower price with other vendors, contact Supply Chain to carry out your purchase so we can work with our preferred vendors to attempt to meet or beat the competition's price.

How do I pay for consulting services or any type of outside services provided by an individual? What is the process?

An Independent Contractor Agreement ("ICA") should be routed through the contract routing process. Once the ICA is executed, create a shopping cart and attach the document. Instruct your contractor to submit invoices with the corresponding PO number to apinvoices@bcm.edu. As with all POs, you should encumber the entirety of the fiscal year cost.

Is there an average turnaround time for POs and new vendor requests?

- Completely approved micro purchase (under 50K) shopping carts with all appropriate documentation (e.g., a fully executed contract) can be processed in two business days.
- New vendor requests for U.S. individuals can be completed in two business days. (Note, additional documentation is required for international guests and will take longer.)
- New supplier/vendor requests can take five to ten business days. Sourcing will need to be completed to check if a supplier who can provide the same materials or services already exists. This

process is also very dependent on the supplier completing registration and providing all the required information.

How are purchase orders sent to vendors? Can I get a copy of my PO and send it to them from my email?

A PDF copy of the purchase order is sent directly from SAP to the email provided in the Vendor Profile. The supplier provides this email address during the self-registration process. We encourage the supplier to frequently ensure their vendor information is up to date in JAGGAER. If there is a different address the PO should be sent to for an order, please identify this in the Internal Notes section on the Shopping Cart.

SAP sends you an auto generated email of your PO number for ordering and documentation purposes. Please note that end users **should not** be sending copies of POs to vendors, as this could result in order duplication. Copies of a PO can be seen in SAP by clicking "Print Preview" in ME23N: Display Purchase Order.

Note, use of the PunchOut catalogs or the PCard (for purchases under \$3K) eliminates the email process.

My purchase order has a buyer's contact information who is no longer at the College. What can I do?

Purchase orders show the name and contact information of the buyer who processed your shopping cart. It is imperative you do not use old purchase orders to ensure that out of date buyer information is not being used by vendors. If you are aware of this happening with a current order, please contact Supply Chain to have a new purchase order issued, if necessary.

How are the responsibilities broken down? Who handles what? Does our department have a dedicated contact person?

The group is divided by the type of items ordered:

- Research items
- Infusion and drugs
- Facilities items
- Computers and Supplies
- Subcontracts

Are efforts underway to better improve communication between Supply Chain and the departments?

Yes, the goal of the Procurement department is to aid in the success of entire BCM community. If you have any questions on how to buy and/or issues concerning purchase orders and suppliers, please contact your buyer directly.

