THE UNIVERSITY OF BRITISH COLUMBIA
AVP Finance and Operations
Okanagan Campus

Workday Procurement 101

October 14th, 2021

Agenda

1 | Basic Procurement Concepts

2 | Workday Catalogues

3 | Supplier Set-up

4 | Invoicing, Receiving and Payments

5 | Q+A

Basic Procurement Concepts

Procurement Basics

Purchases under $3,500 (inclusive of tax)
- Use UBC Visa Card
- If order under $3,500 requires a PO number, follow same process in Workday as for purchases over $3,500

Purchases over $3,500 (inclusive of tax)
- Require a PO (review the PO Exemption Matrix for exceptions)
- Three quotes from three suppliers recommended
- If three quotes are not possible, it is expected that the Requestor provide rationale
- Quote must not have expired
- Quote requirements – see Finance's website for what information should be included in a quote
- CFI discount and educational discount must be itemized separately on all quotes
  - Include "CFI Discounts" under additional worktags for discount to ensure included in financial reporting

Procurement Basics Continued

Purchases over $75,000
- UBC, as a publicly-funded entity, is bound by internal and external regulatory frameworks - purchases of goods and services in excess of $75,000 typically publicly posted in a competitive bid process.
- Competitive tender ensures the procurement of goods, services and construction works is fair, open, public and competitive.

Purchase Order Service Levels
- Standard:
  - nine (9) business days from time of receipt, provided complete and accurate information is submitted to Financial Operations
- Rush
  - To meet an unplanned urgent need (not health and safety related, nor executive requested).
  - Every effort made to process within two (2) working days of submission.
- Emergency
  - A purchase/service requisition that is health and safety related and/or executive requested will be completed within one (1) working day of submission.

Importing Goods

- If UBC is the Importer of Record then UBC is responsible for the customs compliance and clearance of goods crossing the Canadian border.
- UBC's customs broker is [Thompson Ahern International](#)
- UBC Worktag information (program, project, grant, or gift) must be provided on all documents, especially on the shipping label as part of the address.

Workday Catalogues

Supplier Catalogues

- E-procurement solution that allows access to a supplier's catalogue with pre-defined items and pricing.
- Similar to typical online shopping, connects to a supplier site where a purchase can be made, adds items to a shopping cart, and brings them back into Workday to complete transaction.
- Supplier catalogues fall under a blanket PO with negotiated prices and terms
    - Purchase requisitions under $10K (in the Workday Catalogue) - Buyer review not required.
    - Purchase requisitions over $10K - Buyer review and approval is required.
    - Purchases from Microserve catalogue (IT) - review over $100 is required.

Connecting to Supplier Websites

Currently available Supplier Catalogues in Workday

Staples Professional – office supplies

VWR International – lab equipment, lab supplies, chemicals

Fisher Scientific – scientific instrumentation, reagents and consumables, software

Linde Canada – industrial gases

Microserve – IT solutions, laptops

Supplier Set-up

Supplier Setup Information

Suppliers must be set up in Workday before a requisition can be submitted.

Supplier Setup

Can be submitted by prospective suppliers and UBC Workday users

Supplier Information Change

Can only be submitted by UBC Workday users

Mandatory Information & Backup Documents

- Name and contact information
- Banking details – attach UBC forms (EFT/ACH/GDS) & voided cheque
- Business type – individual/sole proprietor vs. business/organization
- Tax information (business number, GST #, PST #, SIN) for Canadian residents

Tip

Suppliers should log back into the self-registration portal to monitor status and send-backs

TOP 5 REASONS FOR SEND-BACKS

➢ Missing UBC's EFT or ACH form + voided cheque or GDS form (incorrect IBAN/BIC).

➢ Existing address is overwritten with new. Instead, add new address and specify whether primary or not.

➢ Changed UBC's default net 30 payment term to net 10 or "due upon receipt".

➢ Business name and GST number cannot be verified by CRA's GST Registry.

➢ Correct business type was not identified – individual/sole proprietor vs. business/organization.

Invoicing, Receiving and Payments

Payment Processing Methods

If a purchase is:	If a purchase is:	If a purchase:	If a purchase:
• Over $3500 • From a supplier on the punch-out catalog • Requires a competitive bid • Chemicals or other sensitive goods	• Under $3500 • PO Exempt	• Does not have an invoice (e.g. payment to research participant) • Is a reimbursement to non-UBC individuals and external parties	• Is under $3500 • Does not require an invoice • Is goods and services like travel, and food
Purchase Requisition, PO & Receipt: • Purchases approved before the transaction takes place • Invoices matched to PO • Goods and services are received	**Non-PO Invoice:** • Invoice is received by FinOps (must include Requestor name) Routed to the Requestor for coding and Budget Owner for approval	**Supplier Invoice Request:** • Requestor inputs relevant information to Workday • FinOps reviews and it is sent to the Budget Owner for approval	**Credit Card and Out of Pocket Expenses:** • Credit Card transactions are reconciled and out of pocket expenses are reimbursed once approved

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One Time Payments for Students - Decision Making Process

Is the intention of this payment for a student's academic / research achievement and/or a Financial aid?

Yes → Is the payment from unrestricted UBC Funds?
- **Yes** → **Award**
- **No** → Review the funding detail → **Award** (If the funding allows)

No → Does this student already have an active appointment with UBC in Workday?
- **Yes** → **Employment** Additional hours for current position or Student Incidental OTP for work in different department
- **No** → Determine if the nature of the work is employment or independent contract. *Tip: Use the HR Fast Track Assessment Form to help*
  - **Employment** Hire the student into Workday and pay through payroll. No OTPs.
  - **Supplier**

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Refer to Presentation on Student One-Time Payments for more information

Receiving in Workday

- For POs, Workday requires both an invoice and a receipt to pay supplier (PO, Invoice and Receipt = 3 way match).

- Workday receipt confirms goods and / or services have been delivered.

- The Create Receipt task should be done once the good or service has been delivered. No need to wait for the invoice.

- Ensure you are receiving against the correct line or lines to avoid a Match Exception.

- You can partially receive goods if not all goods were received and initiate payment, however the invoice must be reflective of the goods you received to be paid.

- For Service POS, the pre-tax amount should be received.

Receiving in Workday

OK TO PAY = CREATE RECEIPT

Match Exceptions

- Occur if there is a mismatch between the PO values or quantities, the invoice, and / or the receipt.

- The supplier will not be paid until the Match Exception is resolved.

- If there are any foreseeable issues, the requester should follow up with the Buyer to try and resolve any issues prior to encountering the Match Exception.

- If items for goods and services differ from the actual PO price, a change order is required and should be completed by the requester.

In many cases, the Match Exception is simply the result that the goods/services are not received in Workday.

Match Rules and Thresholds

Match Rule Name	Match Rule	Route to Resolve	Proposed Actions
Missing Receipt	No Receipt	Requestor	• Create receipt in the system
Receipt Variance - Goods	Invoice Quantity > Received Quantity	Requestor	• Create receipt for the remainder goods that are invoiced • Follow up with Supplier to get invoice adjustment (Requestor) • Buyer will assist if escalated
Receipt Variance - Services	Invoice Amount > Received Amount	Requestor	• Create receipt for the remainder services that are invoiced • Follow up with Supplier to get invoice adjustment (Requestor) • Buyer will assist if escalated
Unit Cost Variance (PO vs Invoice)	<>5%*	Buyer	• Contact Supplier to follow up and/or get invoice adjustment • Initiate Change Order (Requestor)
Non-PO Lines (PO vs Invoice) e.g. Freight	>10% or >$1000 whichever is less*	Buyer	• Contact Supplier to follow up and/or get invoice adjustment • Initiate Change Order (Requestor) • Initiate Match Exception Override (Freight only)
Total Amount Variance (PO vs Invoice)	>10% or >$1000 whichever is less*	Buyer	• Initiate Change Order

Q+A

Appendix

View / Find Supplier & Request a Supplier Setup

Concept Overview

View / Find Suppliers & Request a Supplier Setup

View / Find Supplier's information prior to requesting for a Supplier to be created. Users can search for existing Suppliers in Workday. Many of UBC's regular suppliers are already setup in the system.

Create Supplier Request

If you cannot find a Supplier within Workday, then you can request that a supplier be created.

Details needed include:

- Supplier Name (Must provide as Last Name, Given Name for Individuals)
- Supplier Category
- Address
- Email

- Attach supplier's banking details and proof in an attachment for EFT payment method
- Fill in the Questionnaire to complete the request and provide a Tax ID for Resident of Canada Suppliers providing services

Click here for a detailed Job Aid:

- FIN102-01 Create Supplier Accounts: View/Find Suppliers

- FIN102-02 Create Supplier Accounts: Internal - Create Supplier Setup/Update Request

Process Flow – Supplier Setup Request
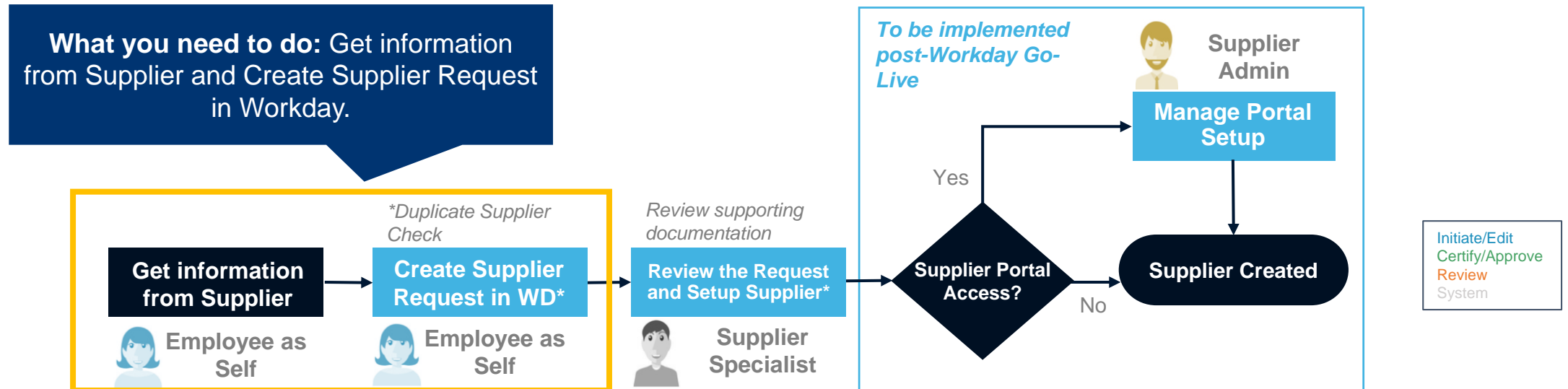
What you need to do: Get information from Supplier and Create Supplier Request in Workday.

Duplicate Supplier Check

Review supporting documentation

To be implemented post-Workday Go-Live

Supplier Admin

Manage Portal Setup

Get information from Supplier

Employee as Self

Create Supplier Request in WD*

Employee as Self

Review the Request and Setup Supplier*

Supplier Specialist

Yes

Supplier Portal Access?

No

Supplier Created

Initiate/Edit
Certify/Approve
Review
System

Submit a Purchase Requisition / Purchase Order

Concept Overview

Submit a Purchase Requisition / Purchase Order

A purchase requisition is required to request that a Purchase Order be issued to a supplier to purchase goods or services. At UBC, all purchases over $3,500 require a purchase order (unless there is a specific exemption), and some purchases under $3,500 also require a PO (e.g. chemicals)**….**
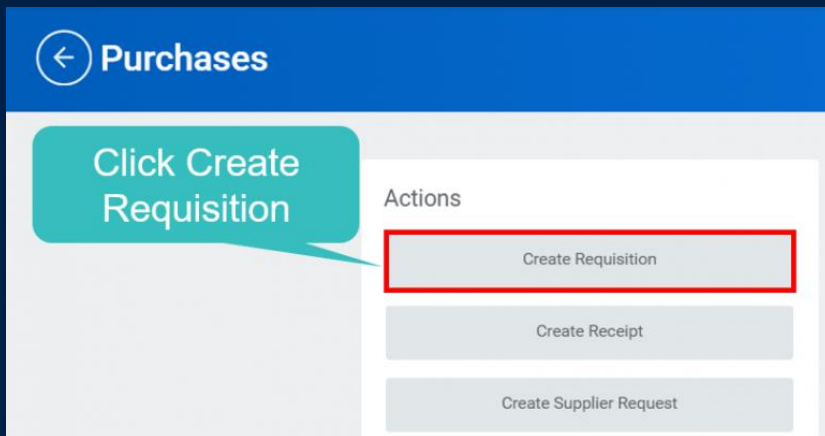
Types of Purchase Requisitions

- **Purchase Requisition:** Used for standard purchases of goods & services. This will be the most commonly used Requisition Type

- **Single Source Requisition:** Used for purchases through sole/single source only

- **Paid by Credit Card:** Used for purchase orders that will be paid by credit card

- **Bill Only (Retroactive):** Used for the creation of retroactive purchase orders that will not be issued to the supplier

- **RFx/Competitive Bid Request:** Used to initiate the intake process for purchases requiring a competitive bid process.

Process Flow - Create Change Order

Knowledge Required: The original PO # is required. If additional lines are to be added the following are mandatory: Item Description, Spend Category, Worktags, amount to be added

Submit Change Order	Buyer Review	Approve Change Order	Issue Change Order to Supplier
Employee As Self	Buyer	Budget Owner [1]	

Initiate/Edit
Certify/Approve
Review
System

What you need to do: Submit Change Order in Workday by finding the original Purchase Order and performing a related action from this PO.

Process Flow – Submit a Purchase Requisition

Knowledge Required: The following are mandatory fields in a Purchase Requisition: Item Description, Spend Category, Supplier, Quantity, Unit Cost, Unit of Measure, Requisition Type, Worktags.


Submit Requisition*

Employee As Self

*If requisition is for services and supplier is an individual, additional step to complete a questionnaire.
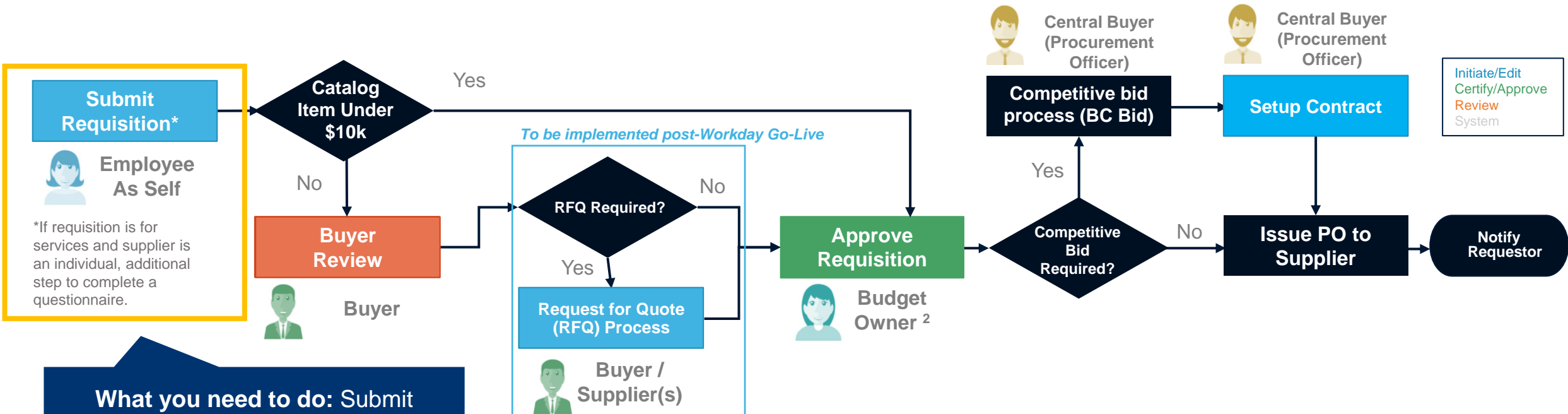
What you need to do: Submit Requisition and complete questionnaire (if requisition is for services and if the supplier is an individual). Add an attachment if item is not from punchout catalogue.

Catalog Item Under $10k

Yes

No

Buyer Review

Buyer

To be implemented post-Workday Go-Live

RFQ Required?

No

Yes

Request for Quote (RFQ) Process

Buyer / Supplier(s)

Approve Requisition

Budget Owner [2]

Competitive Bid Required?

Yes

No

Central Buyer (Procurement Officer)

Competitive bid process (BC Bid)

Central Buyer (Procurement Officer)

Setup Contract

Issue PO to Supplier

Notify Requestor

Initiate/Edit
Certify/Approve
Review
System

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Submit Purchase Requisition Demo

Let's go through a demo on how to submit a Purchase Requisition for a Non-Catalog Service over $3500.
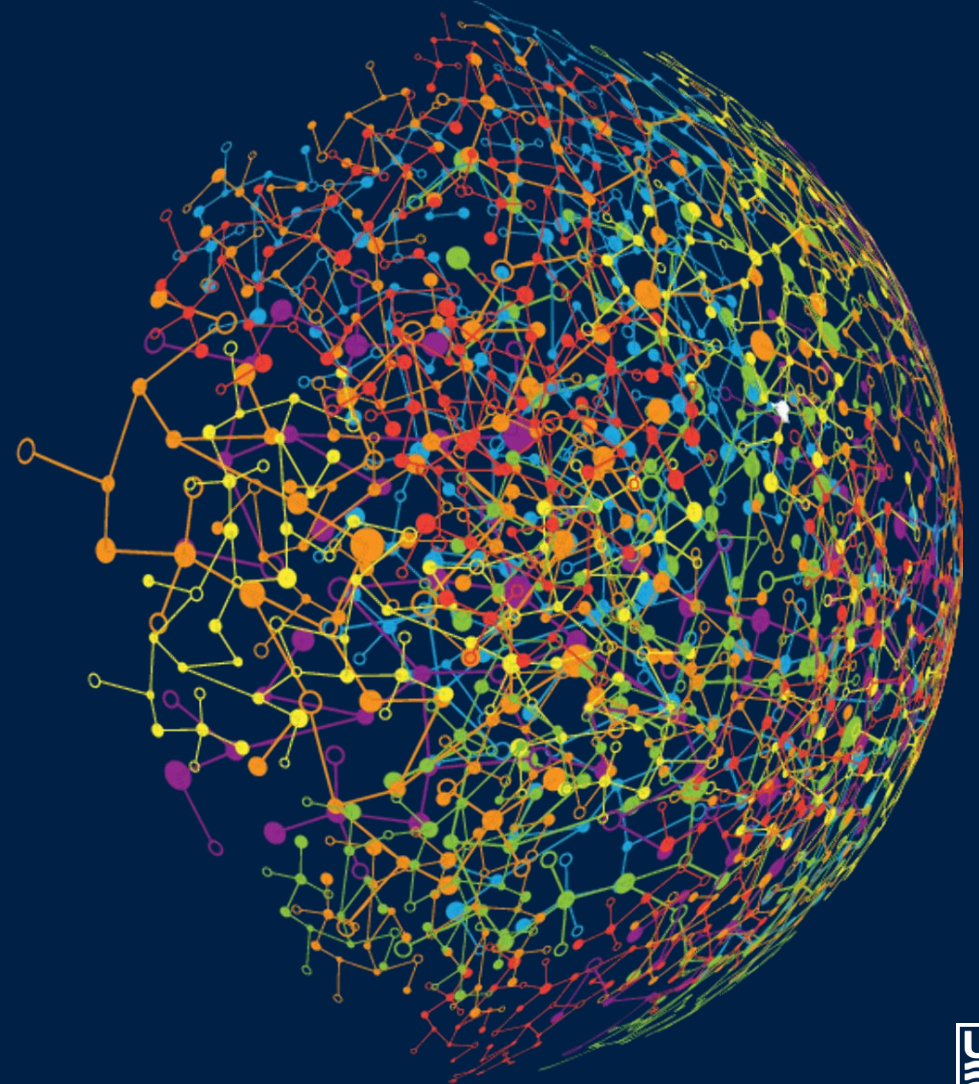
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Welcome, On behalf of: Molly Weasley

Inbox
2 items

Expense Report: EXP-0000000815, Molly Weasley on 11-Jun-2020 for $0.00
1 month(s) ago - Effective 2020-06-11

Edit Government IDs
5 month(s) ago - Due 2020-02-23

Go to Inbox

Applications
11 items

Pay

Payroll

Purchases

Expenses

Personal Information

Processes Awaiting Me

Absence

Benefits

Time

Career

Requests

Quick Reference Guides for Purchase Requisitions

- [Submit Purchase Requisition - Catalogue](#)
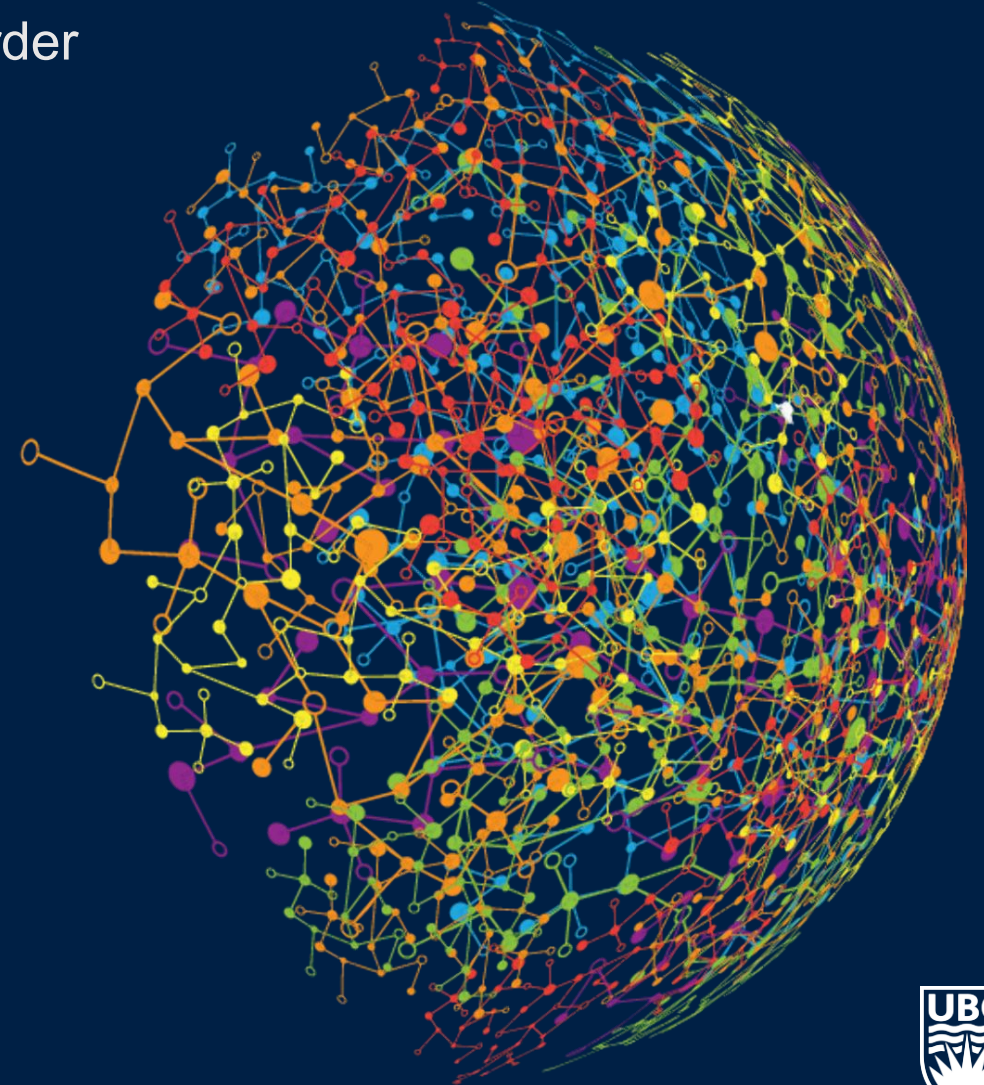- [Submit Purchase Requisition – Non-catalogue](#)

Submit a Change Order Demo

Let's go through a demo on how to Submit a Change Order

Click here for a detailed Job Aid:

Submit Change Order

Submit a Change Order

Concept Overview

Submit a Change Order

A Purchase Order is created by Workday as part of the procurement process against a "Successfully Completed" Purchase Requisition. A **Change Order** should be initiated when a change is required to an existing issued PO – for example, to add an extension or to change the Worktags.

There are two main scenarios that you may need to create a Change Order:

1 **Adding Goods/Services item**

A new **Goods Line** or **Service Line** can be added to a Purchase Order. Details must be filled out, including:

- Item Description
- Spend Category
- Tax / Tax Recoverability / Tax Options (auto-populated)
- Quantity
- Unit of Measure
- Cost
- Deliver To / Ship to Address / Ship to Contact
- Memo
- Program / Grant / Project / Gift / Cost Center / Worktags

2 **Changing Worktags**

Navigate to the Worktag information of the line and update the Worktag as required. For this illustration we have selected a Program.

- Cost Center and Additional Worktags information auto-populates based on the Worktag selected

Click here for a detailed Job Aid:
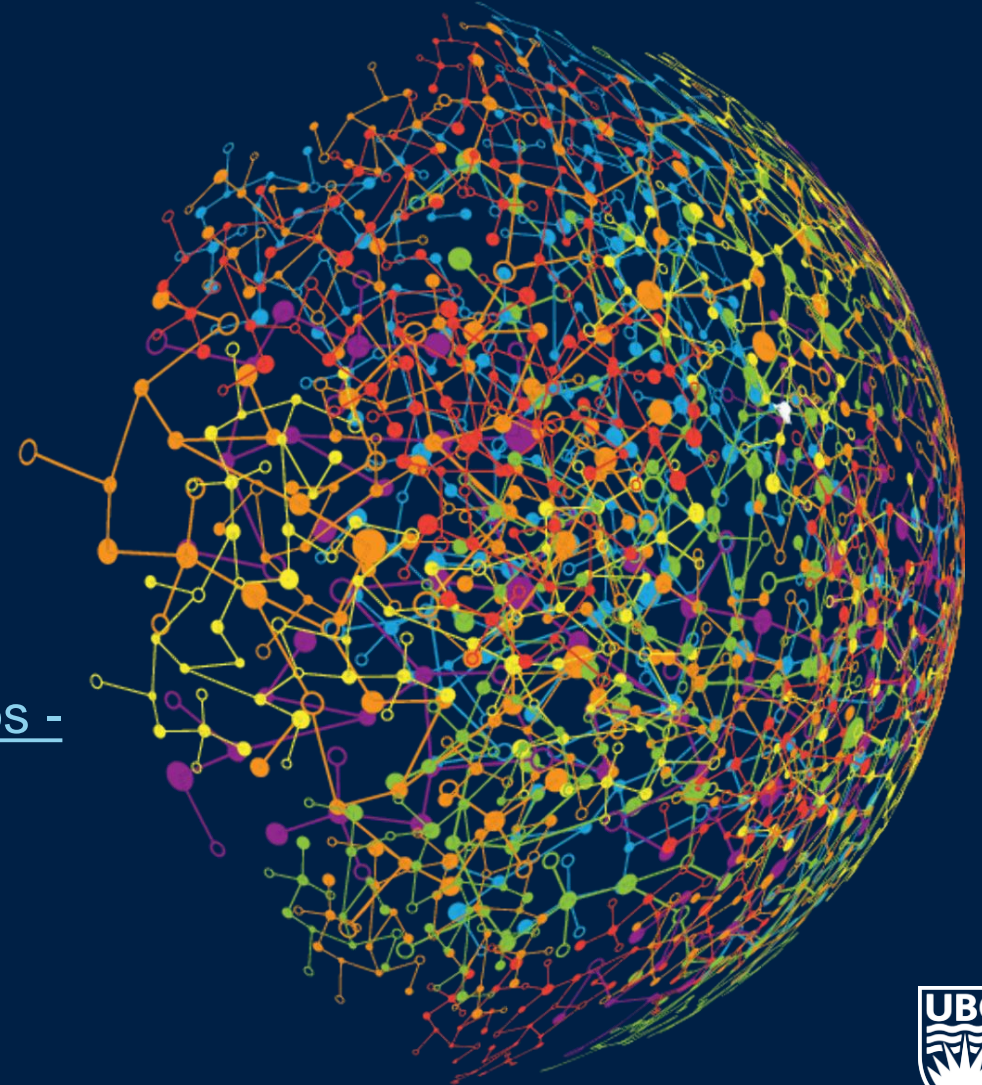
- FIN102-19 Change Order: Submit Change Order

Invoicing and Receiving Demo

Let's go through a demo on Invoicing and Receiving

Click here for a detailed Job Aid:

- Receipt of Goods & Services (Desktop)

- Create Supplier Non-PO Invoice (Received by FinOps - Inbox)

Workday Invoice / Payment Request Workflows

Non-PO Invoices Process Overview

Receive Invoice

ubc.invoices@ubc.ca

a. Route for coding in WD

AP Data Entry Specialist

Code & Submit Invoice [3]

Invoice Requestor

Initiate/Edit
Certify/Approve
Review
System

Review & Accept Invoice

AP Data Entry Specialist

Approve for Budget

Budget Owner [3]

Exception Reports for Post-Audit

Processed for Payment
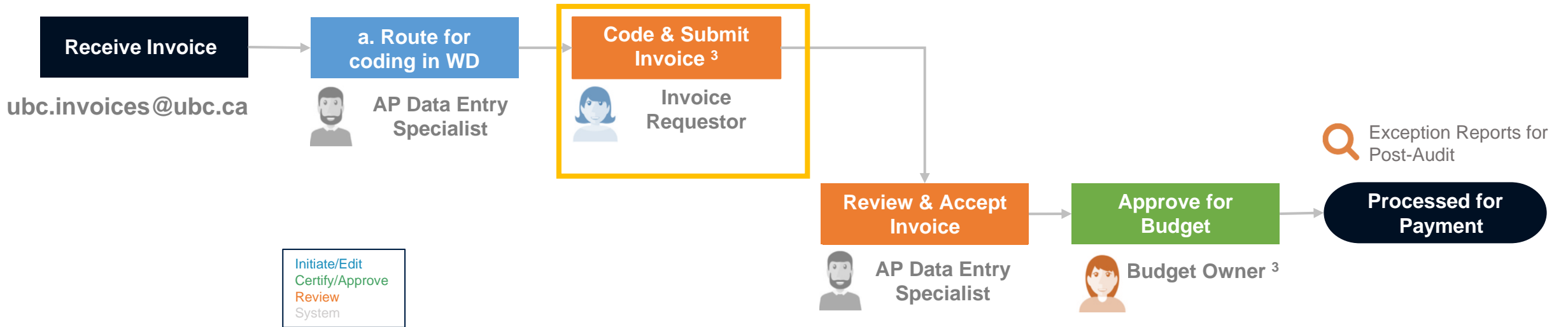
Process Flow – Supplier Invoice (PO) Approval

Knowledge Required: Details about previously placed Purchase Requisition/Order

What you need to do: Review invoice to check for conformity with what was previously entered in the Purchase Order and agreed with supplier.
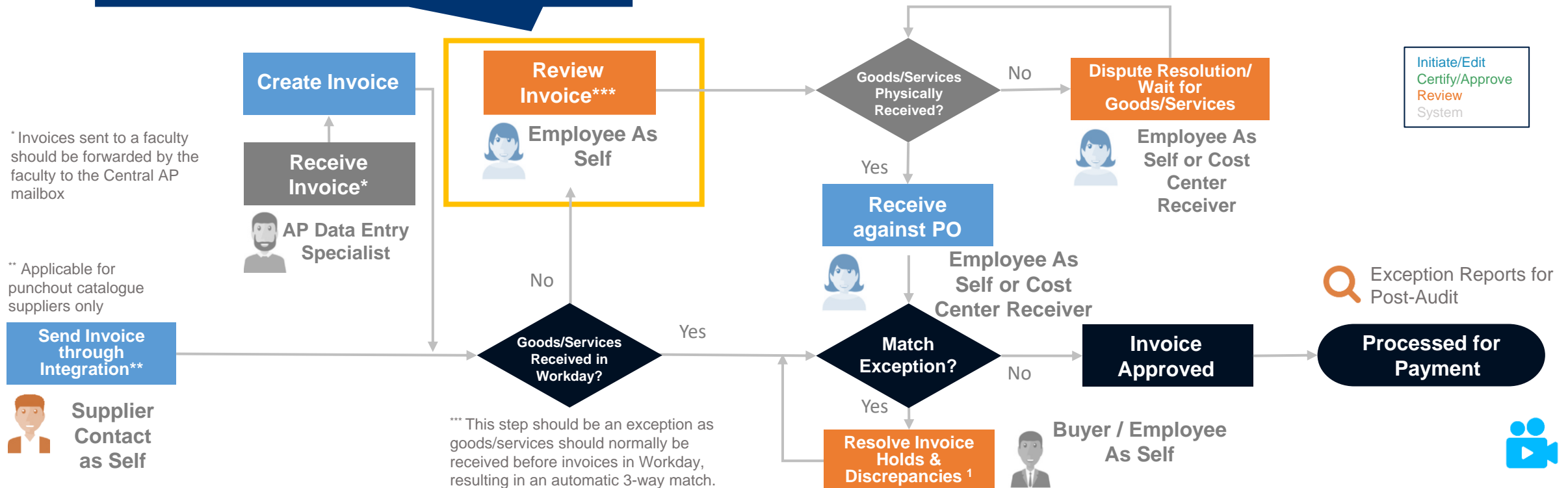

* Invoices sent to a faculty should be forwarded by the faculty to the Central AP mailbox

** Applicable for punchout catalogue suppliers only

*** This step should be an exception as goods/services should normally be received before invoices in Workday, resulting in an automatic 3-way match.

Initiate/Edit
Certify/Approve
Review
System

Exception Reports for Post-Audit

Non-invoice Payment Request

Exception Reports for Post-Audit

| Receive Request for Payment [1] | b. Submit WD Invoice Request | Review & Accept Invoice | Approve for Budget | Processed for Payment |

Employee As Self [2]

Employee As Self

AP Data Entry Specialist

Budget Owner [3]

Initiate/Edit
Certify/Approve
Review
System