

Payables (Purchasing / Invoicing)²

Procurement Guidelines

Best point of contact for any questions regarding purchasing

- Ø R4 Contract Analyst
- Ø Your immediate supervisor

Important notes about purchasing:

- Ø **The most important rule: If the item is on a state or agency contract with one or more vendors, you must buy the item from one of the listed contracted vendors (unless the contract specifies otherwise).**
- Ø If you are unaware if an item is on a contract, or you are unable to find that contract; before you purchase from a non-contracted vendor, contact the Contract Analyst to verify if it is on a contract or not
- Ø Sometimes, when there are multiple contracts for the same item, a primary and secondary contract are identified.
 - If there is a primary contract, you must use that one first, unless they are unable to fulfill the order.
 - If the contract does not specify a primary or secondary designation, you can use either vendor.
- Ø **Documentation:** Provide the following documentation to accounting
 - Invoice(s)
 - ✓ Original Invoice(s) from the vendor
 - Have the vendor include the purchasing unit's number, the purchaser's name, and any equipment # or work order # associated with the purchase on the invoice.
 - If the vendor does not give you an invoice at the time of the purchase, have the vendor email the invoice(s) to Region Four accounting at r4statements@utah.gov. This invoice is the official invoice that will be processed through accounting.
 - [On invoices greater than \\$500 or that have a Lands and Buildings work order \(object code 6171\)](#)



- § Whether the invoice is received directly from the vendor at the time of pickup or through an email from accounting, send r4supportservices@utah.gov a copy of your finalized invoice. This email account is only for budget projections and tracking of Lands and Building work orders. **Invoices will not be processed from this email account.**
- § **Exception** - Equipment related purchases and purchases going into inventory do not need to be sent to r4supportservices@utah.gov.

² Material for this section was referenced from UDOT 02A-01, FIACCT 04, Utah Admin Code R33, and UDOT Region Four Leadership.



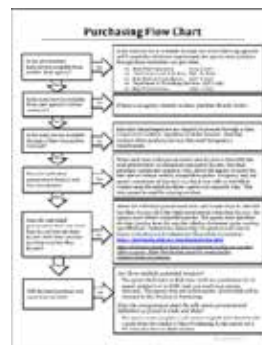
- Signature Block – Received and Approved signatures along with dates
 - ✓ The received goods or services date is ***the date the goods or services were received, not the day that you signed***
 - If additional due diligence is needed to verify the date of receipt, make sure to obtain the addition information before signing
 - ✓ The approval date is the date of the approving signature
 - ✓ If the service was completed on equipment, the shop supervisor needs to be included in the process.
 - This is usually done by sending the invoice to the shop supervisor and getting a signature acknowledging input into fleet.
- Coding Block
 - ✓ Fill out all applicable boxes of the coding block – this will make sure the purchase comes out of the appropriate budget lines
 - Coding may also be written directly on the invoice in the following coding order: **“2800-810-Unit-Appr-Obj-Act”**
 - § Include any associated function, program, phase, equipment #, state route, mile post, and work order #.
 - § Work with accounting if you need coding block stamps, or coding sheets to make coding easier.
- Delivery tickets and packing slips
 - ✓ Shows when the vendor claims the goods or services were given to us, along with what was given.
 - ✓ These are great documents to keep track of when you received the goods or services – but you still need to sign, acknowledging the goods or services were received, stating to the best of your knowledge the vendor’s date is correct.
- Other supporting information
 - ✓ An example of this would be an email from the Contract Analyst stating the item is not on a contract– this shows your due diligence.
 - ✓ Other examples are bids and urgent purchase forms
 - ✓ Any other document supporting the purchase and showing you did your due diligence to purchase it correctly.
 - ✓ Documented reason of why you went with a secondary contract as opposed to the primary.

What are the limits for small purchasing?

- Ø Refer to the [purchasing flow chart](#).
- Ø Work with R4 Contract Analyst

How do AVL contracts work?

- Ø Work with R4 Contract Analyst



Emergency Purchases

- ∅ UDOT Emergency Purchases³
 - Address the emergency situation immediately if a situation arises that creates harm or risk to health, welfare, safety, or property.
 - ✓ Refer to and use form [PRO-01U](#) for further details on what is considered an emergency.
 - Emergency purchases are limited to only those supplies, services, or construction items necessary to resolve the emergency.
 - Contact the R4 Contract Analyst as soon as possible. The Contract Analyst will work with the District Engineer or other Region Leaders and the Procurement Division on approval of emergency purchases.
- ∅ Documentation
 - Document the basis for the emergency and the selection of the procurement item.
 - ✓ **Documentation may be made after the emergency condition has been alleviated.**
 - ✓ The purpose of the documentation is to explain the reason there was an emergency and what steps you took to resolve it.
 - ✓ A record of the determination and selection needs to be submitted with all payment requests.
 - ✓ Refer to and use form [PRO-01U](#) for documentation during an emergency situation.
 - This form is only needed if you are buying items or services outside standard purchasing rules and contracts.



Urgent Purchases

- ∅ Unanticipated Urgent Purchases⁴
 - Unanticipated and urgent circumstances include:
 - ✓ An item needed to avoid stopping a public construction project,
 - ✓ An immediate repair to a facility or equipment, or
 - ✓ Another urgent condition.
 - ✓ Lack of planning does not constitute an urgency
 - Contact contracted vendors first; however, you are not required to utilize a contract in urgent purchase situations.
 - ✓ Document why the contracted vendor(s) were not able to supply the goods and/or services on the [PRO-01U](#) form.

³ UDOT 02A-01C, Utah Admin Code R33-8-401

⁴ UDOT 02A-01-D



- Obtain verbal or, preferably, written approval from the District Engineer or appropriate Region Leader on the Urgent Purchases Authorization Form (form [PRO-01U](#)) prior to making the purchase if the contracted vendors are unable to supply the items or services and the total purchase does not exceed \$5,000.
- The Procurement Division must be involved if the total purchase exceeds \$5,000.
- Ø Documentation
 - Submit a completed [PRO-01U](#) form with the invoice to the accounting office, even if the original approval from the District Engineer or Group Leader was verbal.
 - ✓ This form is only needed if you are buying items or services outside standard purchasing rules and contracts.

Road Materials

- Ø All tickets showing quantity of materials delivered need to be included with the invoice that is sent to accounting for a payment to be processed.
- Ø The signature block verifying receipt and approval along with the coding needs to be recorded at least once for the entire purchase.

Quality of Work / Quality of Materials

- Ø Before accounting will be able to make a payment for work done by a contractor; or for asphalt, chips, road base, gravel, d-slick, and salt materials; Area Supervisors need to give their approval to pay either in full or at a discount after reviewing to make sure the quality of work or materials are where it needs to be.
 - The Area Supervisor should be the approving signature in this process.
 - ✓ Their signature represents approval of quality.
 - ✓ Any discounts should be documented if quality is sub-par.

Contract Verification

- Ø The purchasing unit or Contract Analyst should review invoices for accuracy compared to the contract or quote.
- Ø Accounting verifies that the pricing is accurate according to the contract before processing the payment.
- Ø If the pricing is inaccurate, accounting will work with the vendor to make all needed adjustments and send back out for signatures as needed.

Sales Tax

- Ø UDOT is tax exempt as a state agency; make sure the vendor does not charge you sales tax.

Expedited Payments

- Ø Remind vendors that UDOT typically pays invoices within 30 days from the date we receive a correct invoice, or from the date the service is completed, whichever is later.
- Ø Expedited payments are used for situations where there is a need for the vendor to be paid faster than our normal process. If an expedited payment is needed:
 - Gain documented approval from your manager then your District Engineer



- Include an explanation of why this exception needs to be made
- The District Engineer will review your request to determine if the justification is necessary and forward it to accounting.
- You can gain this approval through an email chain
- Even with an approval, correct invoice(s) and supporting documentation need to be submitted before expedited payments can be paid.
- If updates are needed, include that information in the request. Accounting will provide weekly updates until the payment is made.

Responsibility for sending accounting invoices and documentation along with budget ownership

- ∅ It is ultimately the responsibility of the purchaser or their direct manager to get invoices and all supporting documentation to the accounting team.
- ∅ Region support positions purchasing and invoices:
 - Provide supporting documentation to accounting when receiving or purchasing goods or services that effect multiple sheds or areas in the Region.
 - Purchases that effect the budget of multiple unit's
 - ✓ The first signature on the documentation needs to come from someone onsite receiving the goods or services to verify work is complete and/or received.
 - ✓ It is a best practice to have the next level supervisor be the approver. For example:
 - If the purchase effects multiple sheds in the same area, the Area Supervisor should be the approver.
 - If the purchase crosses multiple Area Supervisor boundaries, then the DE should be the approver.
- ∅ The employee whom made the purchase or their immediate supervisor is responsible for their budget and the associated coding.
 - Please work with the Maintenance Analyst if you have questions on appropriate coding.
 - If for any reason coding needs to be changed, accounting will need the approval from the approving signer to make the change on the document.
 - ✓ This approval can be done via email

Vendor Invoices

Email Invoices

- ∅ Send invoices to r4statements@utah.gov. Having vendors send invoices directly to accounting helps:
 - Prevent duplication of invoices
 - Prevent lost Invoices
 - Create a consistent vendor billing experience across the region, especially if working with several locations
 - Provides separation of duties
 - Collect appropriate discounts



- Prevent late payments
- Reconcile accounts
- ∅ The invoice "bill to" section should include the following:

UDOT
Accounts Payable
708 S. 100 W.
Richfield, UT 84701

Using Adobe Sign

- ∅ Adobe Sign helps us move towards UDOT's goal of being paperless and increases the speed of payments to our vendors.
- ∅ When the accounting group receives an invoice from the vendor, they will send out the invoice using Adobe Sign.
- ∅ You do not need to print out the invoice to stamp it and sign it. Simply click on the blue hyper-link and the system will have you sign it electronically. Adobe Sign gives you the option to attach any documents to the file before you complete the signature process. It will then send the document to your immediate manager for the approval signature.
- ∅ Everyone involved with the signature process will receive a completed document for their records.
 - Send the completed Adobe Sign to r4supportservices@utah.gov if the invoice is over \$500 or if the invoice includes a Lands and Building work order number (excluding equipment purchases and inventory purchases).
 - Refer to [R4 Invoice Flowchart](#) for the flow of invoices in region four.
- ∅ **Important – Delegating: Never forward an email with an Adobe Signature request.**
 - If you are not the one that should be signing, there is a link in the email that allows you to delegate the signature to another employee.
 - ✓ Click on that as opposed to forwarding the email.
 - ✓ This will allow you to put in the appropriate signers email to have them sign.
 - You can also delegate inside the document.
 - ✓ Click on the icon in the top left of the screen that says "Alternate Actions" then the option that says "Somebody else should sign".
 - ✓ This will allow you to put in the appropriate signers email to have them sign.
- ∅ Note: If you need anything on Adobe Sign done differently than the typical flow, please contact accounting to make the appropriate adjustments.



Receiving Invoices at the Time of Purchase

- ∅ Occasionally an invoice will be received at the time of purchase. If this is the case, use the signature block and coding blocks provided, fill them out, and send the completed invoice(s) to accounting with any supporting documentation.



Ø Email your invoices and supporting documentation to:

○ r4statements@utah.gov



- ✓ If you are already working with a specific accountant on an invoice or situation, email the invoice(s) and supporting documentation directly to that accountant as opposed to r4statements@utah.gov.
- ✓ Carbon copy (CC) r4supportservices@utah.gov for invoices over \$500 or if the invoice has a Lands and Building work order number (excluding equipment purchases and inventory purchases).

Ø Note: Using a stamp that has your signature as part of the stamp is a risk and should not be used.

UCI Purchases

- Ø UCI purchases will need the same documentation as all other purchases.
- Ø Scan all UCI shipping documents and including coding and signatures for receipt verification and approval similar to all other invoices (Simply place these on the shipping document if not already on other documents submitted for the invoice).
- Ø **Mandatory for warehouses:** Scan in any other supporting documentation you have for the order (sales quote, order request documents describing what was wanted, etc)

Vendor relationship building responsibility (customer service)

- Ø Billing – Accounting
 - Accounting is responsible for the billing relationships with vendors. Often-times larger vendors have more than one location and accounting is best suited to answer any billing questions the vendor may have on a state, region, and local level.
 - If you or the vendor have any questions about their bill, you can use the alpha sheet to know which accountant to contact.
 - ✓ Give the vendor the phone number and email address of the correct accountant for this and all future billing inquiries.
 - ✓ Direct all billing questions from the vendor to that accountant to be answered.
- Ø Purchasing – Those making the purchase
 - The purchaser is responsible for all other contact with vendors outside of billing.
 - It is important to have a good relationship with the sales representatives of vendors.
 - ✓ You are the face of the company and as such, need to build a professional face-to-face relationship of trust with the vendors.
- Ø Best Practice
 - Give your vendor R4 Accounting's information at the time of purchase or upon request so they can go directly to accounting for all billing questions.
 - ✓ This could sound similar to, "I will be your direct contact for this project and all other related projects in this area, here is my contact information. If you have any billing questions, here is the contact information for the accountant that can answer those questions and keep you updated on payments."

