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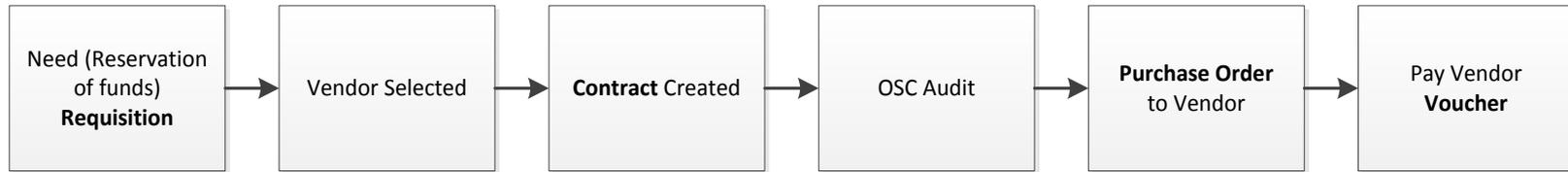
Bulkload Workgroup: Procurement Contracts

April 29th , 2014

Overview

1. Introduction
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3. Benefits
4. Amendment process
5. Bulkload Changes
6. Bulkload Procurement Contracts process
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Procurement Contracts Process



- **An eProcurement requisition is the starting point to reserve the funds (pre-encumbrance)**
- **The requisition will be used to create the contract document, including lines**
- **The use of PeopleSoft delivered RFQ (Request for Quote) functionality to establish the award and link the Requisition and Contract**
- **Contract lines will be used for additional controls (e.g., contract out years) and for automation of the buying/sourcing process**
- **Using delivered PeopleSoft Contract Release functionality to create Purchase Orders and control releases against the contract**
- **Use delivered Contract Amendment functionality (retire customizations)**
- **Align process and policy towards “Dispatch” of Purchase Orders to vendor to allow vendor to perform service or provide goods**

Benefits

- **Realigns the procurement process to the delivered, best practice use of PeopleSoft (per Charter)**
- **Moving the funding reservation to the pre-encumbrance against the appropriation clarifies State obligations vs. reserved funds**
- **Moves from a two-step to a one-step contract approval**
- **Supports other State initiatives**
- **Use of contract lines supports Marketplace and item master**
- **Important improvement to support on-boarding agencies with sophisticated procurement systems**
- **Improves data value supporting warehouse initiatives**
- **Automating competitive procurements and contract terms**

Procurement Contract Amendments Process

- **Contract amendments will follow a different path than the creation of a contract**
- **Amendments will start by modifying the Contract Header, Line or Distribution**
- **Changes to an amount on header or line will be made with delivered functionality. The contract line will also maintain the amount approved in CAM.**
- **There is No workflow approval on contracts. Agency approval of amendments will be controlled via security to trigger when an agency is done with their changes to initiate the CAM amendment approval process.**
- **If the amendment requires funds reservation, then systematically update requisition and line for the changed amount.**
- **Once the requisition budget check is valid, then systematically create record(s) on the amendment request table that supports CAM integration and update custom “In process amount” fields on contract. The “in process amount” fields will be included in the calculation of the available balance.**
- **When BOC approves an amendment then the “In process amount” fields will be reduced allowing the approved amendment amount to now be included in available balance.**

Procurement Contract Amendments Process

- **If BOC non-approves the amendment then a new amendment version will be created to backout the amendment amount. This will create the appropriate requisition transaction to relieve reserved funds**
- **Multiple amendments to adjust amounts and Start/End Dates will be allowed. There may be constraints to multiple pending start/end date amendments. This is being worked on – not yet resolved.**
- **Amendment Sync: We'll update the amendment request table for every amendment – even those made on a contract that PeopleSoft deems as an amendment that does not require an amendment request for BOC to audit/approve. These amendment requests will be set to auto-approved if no BOC action is required.**

Contract Amendment - Design Principles

- Contract Amendments will be based on delivered functionality.
- Current custom amendment record will be modified to function as the 'Amendment Request', it's primarily used for integration with CAM and to track history of amendment actions.
- Procurement Contract amendments will originate from the Procurement Contract not the Requisition.
- Custom fields will be created on the procurement contract to support amendments:
 - "In Process Amount" tracks amendment request amounts and will be included in the calculation for available balance.
 - "Amendment Request Amount" to capture amendment requested amount on contract header. (Informational)
 - "Amendment End Date" requested amendment end date. (Informational)

Contract Amendment - Design Principles

- Procurement Contract amendments in SFS and amendments maintained to support CAM integration are in sync one-to-one.
- There will be an associated requisition for each Procurement Contract.
 - Not all amendments will require funds reservation. If funds reservation is required then systematically the associated requisition will be kept in sync with the contract.
- Existing custom amendment pages will be altered to be inquiry only to support the integration with PeopleSoft delivered and CAM.
- PO Header reference to contract and amendment number will be retired. Agencies will no longer have to manage PO's to an amendment version.
 - PO Lines referencing a contract will use delivered functionality to default the reference to the latest approved version of the contract at the time the PO Line is associated to the contract.

Bulkload Changes

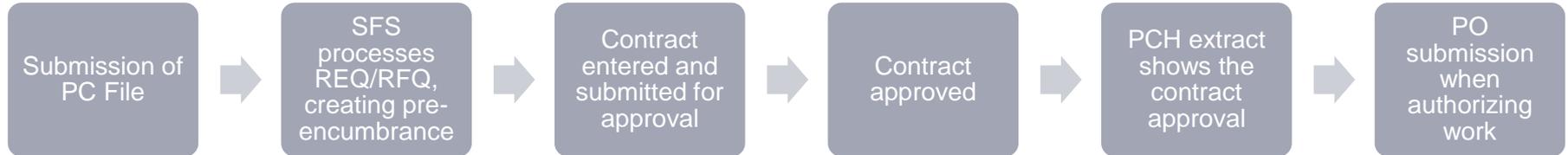
Inbound

- **Contract Header, Line and Distribution Required**
- **No more Amendment versions**
- **PO creation is after Contract Approval**
- **PO references Contract and line, not contract and amendment (null line value decision pending analysis)**
- **Revenue Contracts will be submitted online**

Outbound

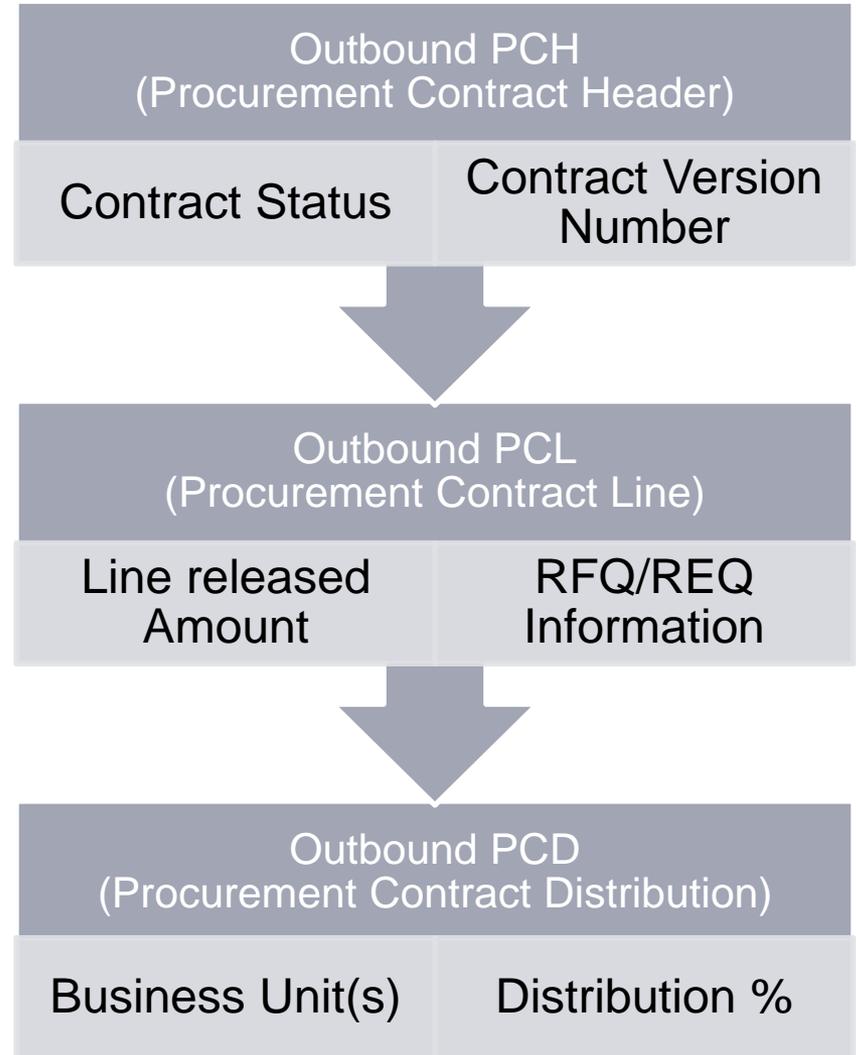
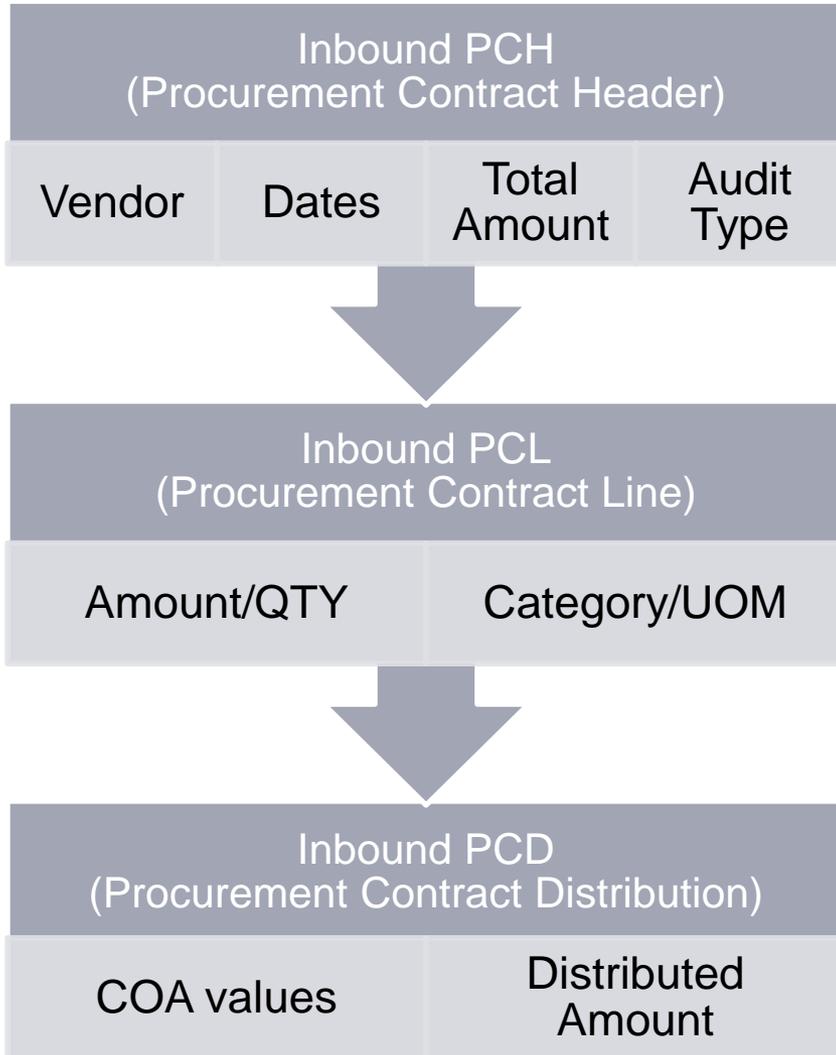
- **2 Contract numbers are returned**
 - Submitted Value
 - SFS Sequential ContractID
- **Amendments are considered sequentially, but can be submitted as a group**
- **Pending Request amounts will be included as an additional field, when approved they will update existing lines**
- **Version Number is returned**
- **PO is dispatched on day submitted**

Bulkload Procurement Contracts Process



- **When a PC file is submitted for a new contract SFS will systematically create the pre-encumbrance by establishing a requisition**
- **The information on the requisition is the distribution information supplied in the contract layout**
- **The systematic process also includes the creation of an RFQ linking the Requisition and Contract**
- **Contract approval will be communicated through reports, online inquiry and the PCH extract, non-approvals will not renumber the contract (no Z)**
- **Upon approval, the contract is ready for PO submission when the vendor is to begin work**
- **Creation of the PO relieves the pre-encumbrance and establishes an encumbrance**

Bulkload Procurement Contracts Process - Layouts



Bulkload Procurement Contracts Process-Header

Inbound PCH

Contract Number	Vendor	Start Date	End Date	Amount	Audit Type
SFS01-T123-9999999	1234567890	07012014	12312015	+100,000.000	TCG

Outbound PCH

SFS Contract Number	NY Contract Number	Version Number	Contract Status	Approval Date
1234567890	SFS01-T123-9999999	00001	A (Approved)	06052014

Bulkload Procurement Contracts Process-Line

Inbound PCL

Contract Number	Line Number	Version Number	Amount Only	UOM	QTY	Unit Price
SFS01-T123-9999999	00001	00001	N	EA	10	+10,000.000

Outbound PCL

SFS Contract Number	NY Contract Number	Line Number	Version Number	Amount Released
1234567890	SFS01-T123-9999999	00001	00001	+0.000

Bulkload Procurement Contracts - Distribution

Inbound PCD

Contract Number	Line Number	Distribution Number	Version Number	Amount	COA String
SFS01-T123-9999999	00001	00001	00001	+100,000.000	--Multiple values--

Outbound PCD

SFS Contract Number	NY Contract Number	Line Number	Distribution Number	Version Number	Business Unit	Distribution Percent
1234567890	SFS01-T123-9999999	00001	00001	00001	SFS01	100%

Discussion

