



City of Austin - Austin Transportation

# Finance and Purchasing System Training

# Training Agenda – Part I

- Purchasing Types
- Purchasing Operating Policies and Procedures
- Purchasing Process
- Purchase Request System
- Work flow
- Navigating the System
- Creating a New Request
- Statuses Defined
- My Purchase Requests
- Tracking Purchase Requests
- Advanced Searching

# Purchasing Types

**A Purchase Request is required for every purchase of a good or service.**

Pro Card	Procurement Card
GAX	General Accounting Expenditure
DO	Delivery Order
PO	Purchase Order
CT	Central Transaction
RQM	Request for Master Agreement

# Purchasing Operating Policies and Procedures

Monetary Threshold	Policy	Processing Method
\$00.01 - \$3000.00	(1) quote and business justification required	Procurement Card (ProCard) Purchase Order (PO)
\$3000.01 - \$5,000.00	A minimum of (3) quotes and business justification required	Purchase Order (PO)
\$5000.01 - \$75,999.99	Requester provides Scope of Work and/or Specs Department purchaser solicits for responses	Contract (CT) Master Agreement (MA)
\$76,0000 and over (Over City Manager's Authority)	Requester provides Scope of Work and/or Specs; requires the approval of the City Council	Contract (CT) Master Agreement (MA)

# Purchasing Process

Methods	Process Time Estimate
Credit Card	5 business days – Handled at Department Level
GAX	5 business days – Handled at Department Level
PO up to \$3,000	5 business days – Handled at Department Level
PO \$3,000 to \$5,000	2 - 3 weeks – Handled at Department Level
DO	5 business days – Handled at Department Level
RQS – CT (One Time Purchase) \$5,000.01 - \$50,000	6 weeks before going to Central Purchasing to execute
RQM (Contract/Master Agreement)	Contract execution varies from 6 to 9 months, depending on complexity.

# What is it?

## Purchase Request System

- KNACK – a platform to enable employees to request goods/services through the proper channels and get finance approval.



# Workflow



Requester



**Approver 1**

*Supervisor*

*\$0.01 - \$1,500*



**Approver 2**

*Division Manager*

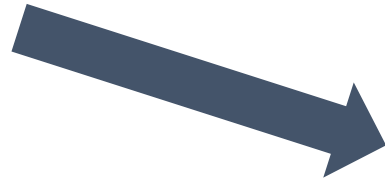
*\$1,500.01 - \$5,000*



**Approver 3**

*Assistant Director/Director*

*\$5000.01 - greater*



Budget Review



Purchasing  
Processing



Send Vendor  
PO/DO/CT



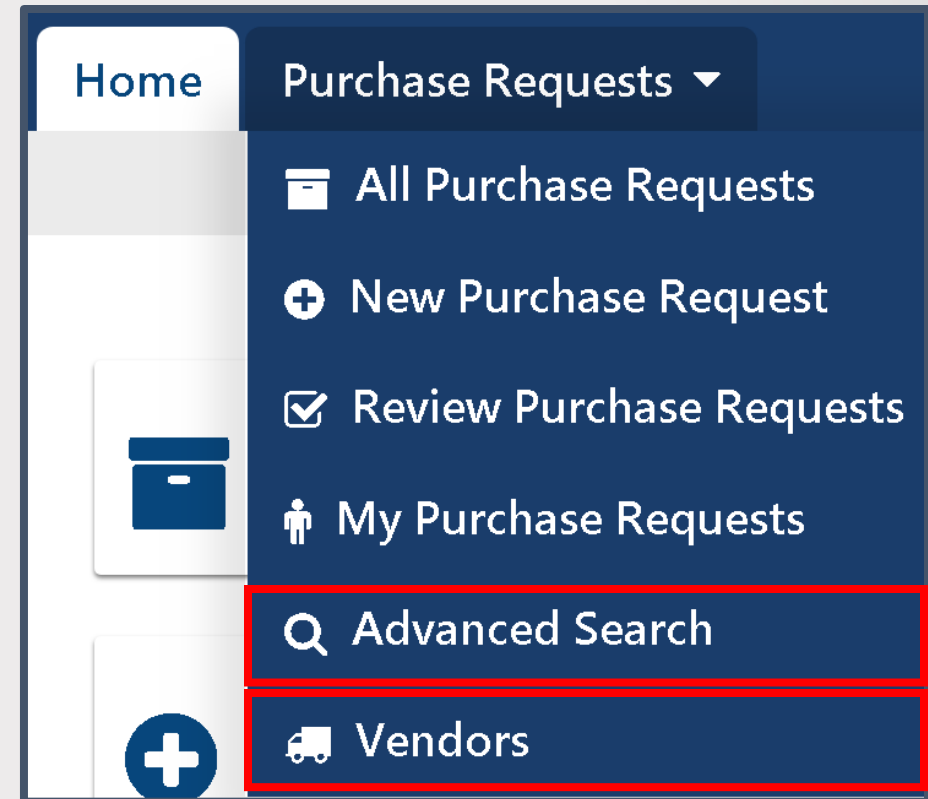
Pending  
Invoice

# Navigating the System

- Home - Quick Links



- Top menu bar





# Creating a new request

- Starting new purchase request form
  1. Subject [required]
  2. Business Justification [required]
  3. Needed By: Date you need Contract Executed or PO/DO/CT in Hand
  4. Purchase Type (Select which applies)
  5. Contract Agreement (if applicable)
  6. Vendor (if applicable)
  7. Office Location Code (Used as Shipping Locations)
  8. Notes to Purchasing [Enter in the FDU (if not able to on the line item), Contract Information or any other information CM or AP would need].
- Reviewing and Filling out request details
  1. Items
  2. Attachments
- Adding line items
  1. Part #
  2. Commodity Code
  3. Description
  4. Quantity
  5. Unit of Measure (UoM)
  6. Funding
  7. Department
  8. Unit
  9. Object
  10. Unit Cost
- Adding attachments (*quotes, pictures, documents*)
- Assign Reviewer(s) and Submit

# Assign Reviewer for Technology Reviews

Send to:

(Primary) Scott Reedy, (Back-up) Diana Martin

**Your Approval Authority \***

Select...

Select...

1 | Technology Review

2 | Inventory Review

3 | Supervisor

4 | Division Manager

5 | Assistant Director

# Statuses Defined









Status	Description
<b>Not Submitted</b>	The purchase request has been created but not submitted.
<b>Waiting for Approval</b>	The purchase request has been submitted for approval review.
<b>Returned</b>	When the approver has returned the purchase request to the requester for modifications.
<b>Rejected</b>	When the approver has rejected the purchase request, the request is not longer active.
<b>Approved</b>	When the request has been reviewed by and approved by the supervisor, division manager, and finance staff.
<b>Budget Review</b>	After all approvals for the purchase, Budget will review
<b>Processing Purchasing</b>	After Budget Review Approval, PR will enter queue for Contract Managers to facilitate the purchase
<b>Pending Invoice</b>	After Purchase Order is completed, will be moved to AP queue for payment
<b>Completed</b>	The request has been processed through finance and has been purchased.
<b>Cancelled</b>	The purchase request is no longer required and is cancelled.

# My Purchase Requests

## My Purchase Requests

All Items Not Submitted Waiting for Approval Finance Review Returned Rejected Closed Cancelled

Showing 1-6 of 6

Details	Request ID	Request Status	Subject	Total Cost	Approval Level Required	Requester	Submitted Date	Modified 
	2018-0032	Waiting for Approval	Test Copy line item again	\$98,151.00	5   Assistant Director	Test Tester	10/04/2018	10/04/2018 1:34pm
	2018-0026	Returned	Spending Cash	\$29,181.13	5   Assistant Director	Test Tester	10/01/2018	10/01/2018 8:05am
	2018-0019	Rejected	New PRF	\$87,500.00	5   Assistant Director	Test Tester	09/28/2018	10/01/2018 8:03am
	2018-0023	Cancelled	Request 1 Test-Tester	\$838,018,875.00	5   Assistant Director	Test Tester	09/28/2018	10/01/2018 7:42am
	2018-0003	 Pending Invoice	a big 'ole hammer	\$327.60	3   Supervisor	Test Tester	08/21/2018	09/27/2018 3:51pm
	2018-0018	Cancelled	Request 1 Test	\$838,018,875.00	5   Assistant Director	Test Tester		09/27/2018 2:38pm

# Tracking Purchase Requests

All Purchase Requests

All Items

Not Submitted

Waiting for Approval

Finance Review

Returned

Rejected














Closed

Cancelled

search by keyword

search

Showing 1-25 of 25

Details	ID	Request Status	Subject	Total Cost	Requester	Reviewer/ Approver	Division	Submitted Date	Modified Date
	2018-0002	Waiting for Approval	Cat5 Cable Tester	\$406.34	Guadalupe Alvarado	Diana Martin	ARTERIAL MANAGEMENT	09/21/2018	09/21/2018 8:08am
	2018-0017	Cancelled	test		Diana Martin		FINANCE AND ADMINISTRATION		09/21/2018 11:58am
	2018-0015	 Closed	Hello	\$4,077.00	John Clary		FINANCE AND ADMINISTRATION	09/21/2018	09/26/2018 11:38am
	2018-0016	 Processing   Accounts Payable	a box of party supplies	\$4,488.00	Diana Martin		FINANCE AND ADMINISTRATION	09/21/2018	09/27/2018 7:40am
	2018-0018	Cancelled	Request 1 Test-Tester Olson	\$838,018,875.00	Test Tester		ACTIVE TRANSPORTATION		09/27/2018 2:38pm
	2018-0003	 Pending Invoice	a big 'ole hammer	\$327.60	Test Tester		ACTIVE TRANSPORTATION	08/21/2018	09/27/2018 3:51pm
	2018-0020	Cancelled	New Admin PR		Garry Olson Jr.				
	2018-0008	Rejected	Shoes	\$7,400.00	Vanessa Faulkner				
	2018-0014	 Processing   Accounts Payable	John's Purchase Request	\$559.00	John Clary				

Reviews

About Approval Levels

Reviewer	Level	Decision	Comment	Decision Date
Diana Martin	3   Supervisor	Approved		09/26/2018 12:00pm
Diana Martin	7   Purchase Review	Approved		09/26/2018 12:01pm
Garry Olson Jr.	8   Budget Review	Rejected	Reject by admin	09/28/2018 9:12am

# Advanced Searching

Q

Advanced Search

Search purchase requests

Keyword Search

ID

is any

▼

Description

is any

▼

Item Description

is any

▼

Part #

is any

▼

Request Status

Select

Requester

Select...

▼

Select one requester or multiple

Division

contains

▼

Submitted Date/From Date

is any

▼

If searching for a date range, enter "is after" and {date}.

To Date

is any

▼

If searching for a date range, enter "is after" and {date}.

Search

- Keyword
- ID
- Description
- Part#
- Request Status
- Requester
- Division
- Submitted Date/**From Date** [Date Range]
- **To Date** [Date Range]

is any

▼

is any

contains

does not contain

is

is not

starts with

ends with

is blank

is not blank

# Vendors

Controller's  
Website  
"Advantage 3  
Search"

## Vendors

Please only add approved vendors found here:





















[Vendor Search](#)

Add Vendor

search by keyword

search

Showing 1-10 of 10 [Add filters](#)

Details	Vendor Code	Vendor Name	Vendor Display Name	Vendor Contact Name	Vendor Email	Vendor Phone	Edit
	V123	ABC	V123   ABC	John Deer	<a href="mailto:john.deer@abc.com">john.deer@abc.com</a>	<a href="tel:(512)000-0001">(512) 000-0001</a>	
	1234asdf	Clary's Construction	1234asdf   Clary's Construction	Raul clary	<a href="mailto:raulclary@darysconstruction.com">raulclary@darysconstruction.com</a>	<a href="tel:(876)987-2349">(876) 987-2349</a>	
	GA0001	Galls	GA0001   Galls	Galls	<a href="mailto:galls@gmail.com">galls@gmail.com</a>	<a href="tel:(512)555-0000">(512) 555-0000</a>	
	WWG2097000	Grainger	WWG2097000   Grainger	Dane Williams	<a href="mailto:dane.williams@grainger.com">dane.williams@grainger.com</a>	<a href="tel:(512)865-9278">(512) 865-9278</a>	
		John Company	John Company	John Clary	<a href="mailto:john.clary@austintexas.gov">john.clary@austintexas.gov</a>	<a href="tel:(123)456-7894">(123) 456-7894</a>	
	M3544	Miller Uniforms	M3544   Miller Uniforms	Derrick Miller	<a href="mailto:derrick.miller@miller.fake.com">derrick.miller@miller.fake.com</a>	<a href="tel:(512)000-0002">(512) 000-0002</a>	
	V00000919697	Mobotrex	V00000919697   Mobotrex	Joan Kasten	<a href="mailto:jkasten@browntraffi.com">jkasten@browntraffi.com</a>	<a href="tel:(563)323-8256">(563) 323-8256</a>	
		Rainbow Printing	Rainbow Printing	Michael jones	<a href="mailto:michael.jones@gmail.com">michael.jones@gmail.com</a>	<a href="tel:(803)123-4567">(803) 123-4567</a>	
	444444	U-line	444444   U-line	U Line	<a href="mailto:u.line@austintexas.gov">u.line@austintexas.gov</a>	<a href="tel:(512)974-3200">(512) 974-3200</a>	
	V987	Zebra Painting Co.	V987   Zebra Painting Co.	Zepellin Thomas	<a href="mailto:zepellin.thomas@zebrapaintco.com">zepellin.thomas@zebrapaintco.com</a>	<a href="tel:(512)000-0002">(512) 000-0002</a>	

Creates new  
outlook mail  
message to  
email address

"Add Vendor"  
form

"Edit Vendor"  
form

"Vendor Details"  
page

# Training Agenda – Part II

- In Depth PR Needs
  - PCARD
  - GAX
  - DO
  - PO
  - CT
  - MA
- Reviewing and Approving Requests
- Policy Reminders
- Responsibilities Summary



# ProCard – Non-ProCard holder

- Ask if vendor accepts Credit Card over the phone
- Ask sales representative if the City of Austin Transportation has an account setup with vendor, if not, notate on Purchase Request.
- Obtain quote
- Submit KNACK Purchase Request (PR) 3 days in advance, minimal.
- Vendor **must** reference PR# on invoice(s).
- 5 business days to process by Department ProCard Holder

# ProCard holder

- Submit KNACK Purchase Request (PR) 3 days in advance minimal, unless
- **Emergency** – purchase request can be submitted the same day as payment date
- Print our purchase request in final status to attach to your ProCard report
- Obtain a payment confirmation/authorization number, name of sales representative, and date of payment for purchase
- Obtain an itemized receipt and invoice for all purchases
- Request for Payment/Reimbursement of Business Expense form **no longer needed** for purchase request other than Travel
- Vendor **must** reference PR# on invoice(s)

# General Account Expense (GAX)

- KNACK Purchase Request (PR) must be submitted and approved at all levels prior to requesting services and/or goods from vendor
- Vendor **must** reference PR# on invoice(s)
- Mid-August should be final wrap-up for GAX request/invoice for current Fiscal Year (FY)
- 5 business days to process by Department Account Payables
- <https://cityofaustin.sharepoint.com/sites/FSDHub/SitePages/General-Accounting-Expenditure-GAX.aspx> - For more Information

# Delivery Order

## Master Agreement/Contract Executed and Active

- KNACK Purchase Request (PR) must be submitted and approved
- Quote recommended to be attached with purchase request but not required
- Delivery Order (DO) Document **must be** created prior to requesting services and/or goods from vendor
- Vendor **must** reference DO# on invoice(s)
- 5 business days to process by Department Purchasing

# Purchase Order (PO) \$.01 - \$3,000.00

## Not on a Master Agreement

- KNACK Purchase Request (PR) must be submitted and approved
- Attach quote to PR **[Required]**
- Vendor must be registered with the City of Austin
- Purchase Order (PO) Document **must be** created prior to requesting services and/or goods from vendor
- Vendor **must** reference PO# on invoice(s)
- 5 business days to process by Department Purchasing

# Purchase Order (PO) or Contract (CT) \$3,000.01 - \$50,000.00 (Informal Bid Process)

- KNACK Purchase Request (PR) **must be** submitted and approved
- Scope of Work/Specification required
- Recommended vendors can be attached to PR
- Vendor must be registered with the City of Austin
- Contracts team will solicit for bids and create a PO/request a CT.
- Purchase Order Document (PO or CT) **must be** executed prior to requesting services and/or goods from vendor
- Vendor **must** reference PO# on invoice(s)

**\$3,000.01 - \$5,000.00** 5 business days to process by Department Purchasing

**\$5,000.01 - \$50,000.00** 2 weeks to process by Department Purchasing

# CT over \$50,000.00+

## (Formal Bid Process)

- KNACK Purchase Request (PR) **must be** submitted and approved
- Scope of Work/Specification required
- Recommended vendors can be attached to PR
- Vendor must be registered with the City of Austin
- Contracts team will liaison between Central Purchasing and the End User to coordinate and facilitate the completion of the contract.
- Central Transaction (CT) Document **will be** created by central and sent to the end user who will forward it to the vendor to place the order for services and/or goods.



# Master Agreement (MA) (Formal Bid Process)

- KNACK Purchase Request (PR) **must be** submitted and approved
- Scope of Work/Specification required
- Recommended vendors can be attached to PR
- Vendor must be registered with the City of Austin
- Contracts team will liaison between Central Purchasing and the End User to coordinate and facilitate the completion of the contract.
- Once MA/Contract is executed a new KNACK Purchase Request (PR) is required to request a DO
- Delivery Order (DO) Document **must be** created prior to requesting services and/or goods from vendor (see DO table)
- Master Agreement/Contract **must be** executed and a Delivery Order (DO) completed prior to requesting services and/or goods from vendor




# Reviewing and Approving Requests

Reply Reply All Forward IM

Wed 9/5/2018 4:27 PM

 ATD Finance and Administration Portal <no-reply@austintexas.gov>  
Needs Review/Approval: 2018-0011 - several signal cabinets

To  Martin, Diana

---

Dear Diana Martin,

A purchase request needs your review/approval.

**ID:** 2018-0011

**Requester:** Test Tester

**Requesting:** several signal cabinets

**Division:** ACTIVE TRANSPORTATION

[Click here to review this purchase request.](#)

*This message has been automatically generated by the ATD Finance and Administration Portal. For assistance, contact the ATD Finance support staff.*

# Reviewing and Approving Requests

## ⌚ Waiting for Your Review

Review	ID	Subject	Total Cost	Requester	Submitted Date	Needed By
No purchase requests to review						


## ☑ Previously Reviewed

search by keyword

search

Details
No items waiting your approval at this time

## ⌚ Waiting for Your Review

Review	ID	Subject	Total Cost	Requester	Submitted Date	Needed By
	2018-0002	Cat5 Cable Tester	\$406.34	Guadalupe Alvarado	09/21/2018	09/14/2018

## ☑ Previously Reviewed

search by keyword

search

Showing 1-6 of 6 [Add filters](#)

10 per page ▼


Details	ID	Subject	Request Status	Requester	Total Cost	Decision Date
2018-0009	<a href="#">2018-0009</a>	Not an Inventory Purchase	Closed	Guadalupe Alvarado	\$406.34	09/28/2018 10:49am
2018-0009	<a href="#">2018-0009</a>	Not an Inventory Purchase	Closed	Guadalupe Alvarado	\$406.34	09/28/2018 10:48am
2018-0009	<a href="#">2018-0009</a>	Not an Inventory Purchase	Closed	Guadalupe Alvarado	\$406.34	09/28/2018 10:46am
2018-0008	<a href="#">2018-0008</a>	Shoes	Rejected	Vanessa Faulkner	\$7,400.00	09/26/2018 12:01pm

# Reviewing and Approving Requests


[Review Purchase Requests](#) > [Review Approval Details](#) Logged in as Diana Martin - Account Settings

☒ Review Purchase Request

ID	2018-0002
Subject	Cat5 Cable Tester
Requester	Guadalupe Alvarado
Assigned To	Diana Martin
Approval Level Required	3   Supervisor

 [View Request Details](#)

Completed Reviews

Reviewer	Authority	Decision	Decision Date   	Comment
No Data				

Your Approval Authority \*

Select...

Your Decision \*

Select...

[Submit](#)

[Back to Review Purchase Requests](#)

1.

Your Approval Authority \*

Select...

Select...

1 | Technology Review

2 | Inventory Review

3 | Supervisor

4 | Division Manager

5 | Assistant Director

2.

Your Decision \*

Select...

Select...

Approved

Return to Requester

Rejected

3.

Submit for Purchasing Review \*

Select...

Select...

Yes

No

4.

Next Reviewer \*

Select

Select

Test Tester

Ray Flores

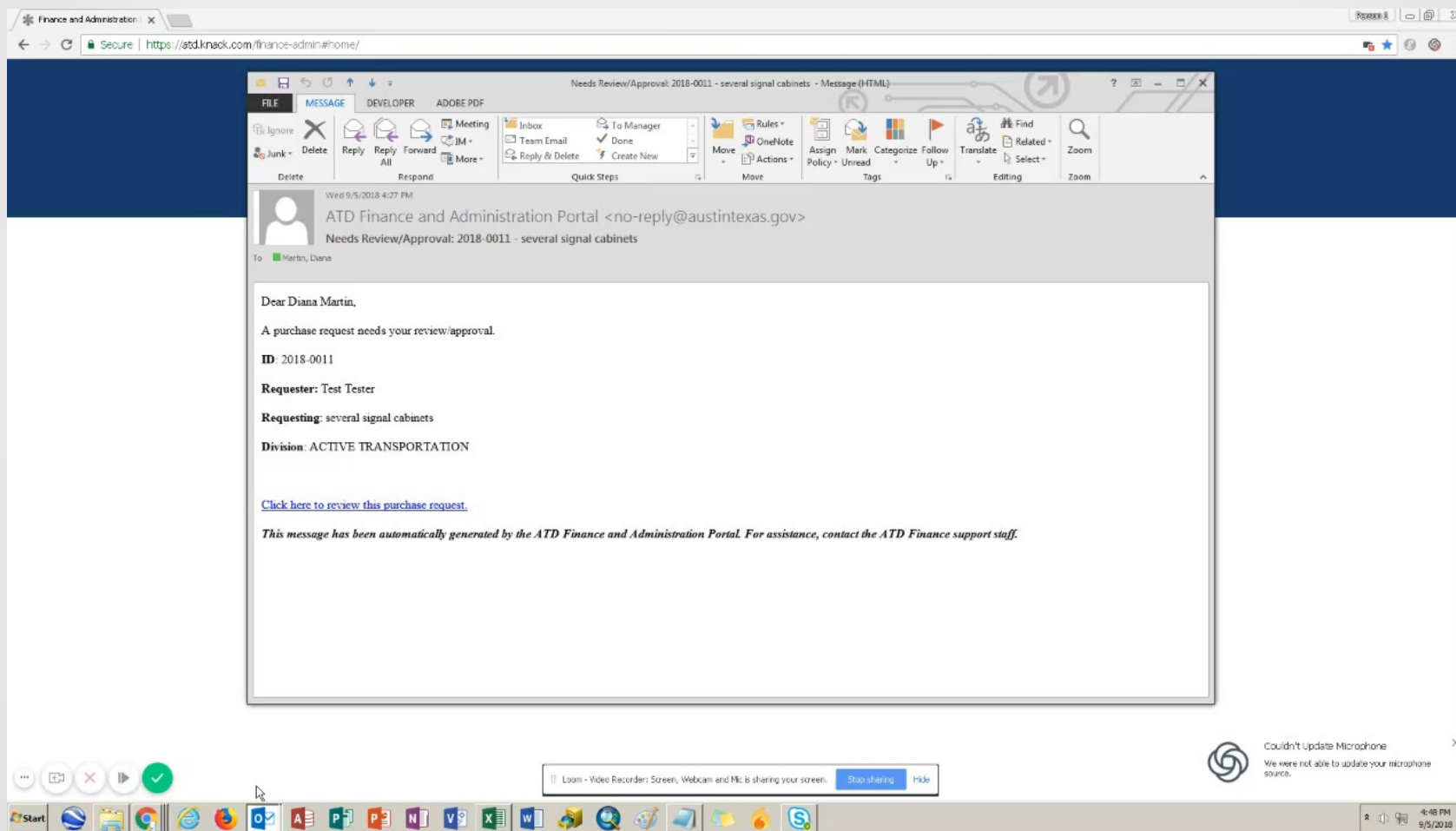
Brian Craig

Guadalupe Alvarado

Nathan Wilkes

Peggy MacCallum

# Reviewing and Approving Requests Video



# Policy Reminders

- Submit **(1) one** KNACK Purchase Request (PR) per vendor.
- Purchases which exceed City Manager authority require City Council approval.
  - Currently City Manager authority is \$76,000
- Purchases should be directed first toward MBE/WBE firms then towards local firms.
- If a vendor/contractor comes on any City property to perform a scope of work, the City's standard insurance requirements apply (Workers Compensation, General Liability, and Auto Liability).

# Policy Reminders

- Single purchases may not be purposely divided, split or separated into smaller components this is called **Serial Purchasing** (Component Sequential, and Separate Purchasing).
- Examples:
  - **Component** - *An information system costs \$80,000 including maintenance. To avoid a City Council review, two separate contracts are signed: the system itself (\$75,000) and maintenance (\$5,000).*
  - **Sequential** - *a department needs 4 refrigerators at roughly \$800 each. Instead of submitting a single order for the total requirement, the department: Issues purchase orders for 4 refrigerators over 4 consecutive months.*
  - **Separate Purchasing** - *a department needs 6 generators at roughly \$600 each. The department orders: 2 from Sears online, 2 from Best Buy, and 2 more from Home Depot.*

# “DO” Policy Reminders

## **Obtain proper authorization(s).**

- Ensure you have an approved PR for PCARD or a DO/PO/CT prior to placing an order with the vendor.

## **Obtain written quote(s).**

- Written quotes are best practice to ensure there are no disputes about pricing.

# “DO” Policy Reminders

- Purchase Requests not on contract, **\$5,000.01** and up **must attach completed Scope of Work/Specification form.**
- If a PR is submitted for a contract, **a separate PR must be submitted after the contract is executed for a Delivery Order (DO)(encumbrance(s)).**



# “DO NOT” Policy Reminders

- Services/Goods should not be ordered prior to receiving KNACK PR approval and a DO/PO/CT from the Contracts team.
- DO NOT request the vendor to provide additional services/goods without a new or modified purchase order. Services/goods must reflect the purchase order.
- Example:
  - *A purchase order was created for 5 hammers, only 5 hammers should be requested.*
  - *Last minute, supervisor needs an additional 3 hammers, at this point you should contact purchasing to request a purchase order modification to reflect 8 hammers.*
  - *Appropriate level Approver's email will be **required** for any changes that increase cost.*

# Responsibilities Summary

## End User Responsibility

- Search for items/services needed
- Create and submit a purchase request
- End Users are responsible to ensure management team approves request in a timely manner.
- Send PO/DO/CT to Vendor after reviewing signed Doc from Contract Manager

## Approver Responsibility

- Purchase request is approved at supervisor, division manager and assistant director (if needed) level.  
(see [work flow chart](#))
- The supervisor and management should approve timely and forward purchase request (PR) to Purchasing and Finance.

# Responsibilities Summary continued...

## Finance Responsibilities

- Finance review
- Finance will create a purchase order, prepare for informal/formal solicitation, or process request with ProCard; once purchase order is created then services can be requested to start or items to be delivered.
- Invoice(s) should be sent by
  - email to: [TPWAccountsPayable@austintexas.gov](mailto:TPWAccountsPayable@austintexas.gov)
- Invoice approval to pay is requested (services/goods being invoiced should at this point been completed/received)
- Invoice payment process is started once approval is received