Introduction:

Angelo DiLettera  
Senior Manager, Strategic Procurement

Tracie Felton  
Supervisor, Strategic Procurement

Sue Graci (aka APHELP)  
Associate, Accounts Payable
Topics Discussed:

- Travel & Expenses
  - Diners card
  - Reimbursing McMaster Employees
- Purchase Requisitions
  - Policy SP01 / Thresholds
  - SPREQBOX
  - Workflow
- Non-PO Voucher
  - Bill Payment, Petty Cash Replenishment
  - Reimbursing Non-McMaster Employees
Procure to Pay

Definition: Procure to pay, also known as purchase to pay or P2P. Is defined as the process of purchasing, supplier invoicing and payable management of goods or services.
Travel & Expenses:

T&E reports reimburse McMaster employees and pay Diners

Every report tells a complete story:

Someone looking at a report years from now should be able to understand the “story” based on: business purpose, accounts chosen, Purpose Approver, attachments, attendee list for business meals, travel logs/Google maps for mileage.

ITEMIZED, ORIGINAL RECEIPTS – always have been required and always will be.
Travel & Expenses:

- Purpose approver must be “one up” even if report preparer knows there is a delegate.
  - i.e. Faculty member is Claimant = Chair is Purpose Approver even though preparer recognizes that the Director of Administration typically approves.
- Report entry delegated = 2 step submission process – report is prepared and submitted by delegated entry person, **claimant must still approve** – receives email notification report is ready – report will not move through workflow until this step has been done.
  - To delegate entry authority, go to My Profile, Delegate Entry Authority on left margin, “+” button to add someone, save.
  - Preparer cannot add someone to their own profile – the claimant must add them so they can prepare reports on their behalf.
Travel & Expenses:

- **UseSave for Later!** Generates Report ID#, saves information as added – use this after each additional line and after adding attachments, making changes.
- Open attachments once they are attached – are they upright? Visible? If you can’t see them, approvers can’t see them.
- **No attachments? No approval. Report denied.**
- GO train and bus – no VAT.
- Parking and taxi in Ontario – total includes VAT – calculate amount of VAT: amount X 13 divided by 113.
- No VAT on tips/gratuities – remove before calculating VAT if not itemized
- Transaction date must be date of transaction! One day for entire trip = denied report.
Travel & Expenses:

- Quick fill – used when same expense incurred daily – must have range of dates.
- Old reports – if month has closed, open new report for claimant, use:
  - Quick Start upper right portion of report header – Populate from: existing report GO.
- All expense lines with distribution lines will be copied into new report – remember to change dates, enter Purpose Approver and add attachments, then delete original report before submitting the new one.
- **Cash advances** are to be used on an *exception basis only* – expenses are reimbursed as they are incurred so *rarely is a cash advance necessary.*
Travel & Expenses:

- Reimbursing meals – use the option Business Meal (attendees) so Mosaic can track people present.
- **Business purpose** must be selected – drop down menu – choose what is closest rather than just General Travel & Expense.
- **Report Description** – concise and meaningful.
- Line description – if information doesn’t fit, click on Summary and Submit (top right) to access **NOTES** – expands as you write – not limited characters.
- Location not on the list? Email aphelp@mcmaster.ca to have it added.
- Transportation ID not on your profile? Email aphelp@mcmaster.ca.
- Unable to access T&E to approve your report? Email aphelp@mcmaster.ca to see if you have the approver role – if not, request through online form under Documentation tab.
Travel & Expenses:

VAT (HST/GST/OHST) is not the enemy

- McMaster receives 73.77% rebate on HST, 66.67% on GST – cash flow.
- The location dictates how the system calculates VAT.
- Choose the default location carefully – go with the location of the majority of receipts.
- Change the location at the line level for those not at the default location.
- If default location outside of Canada, system knows not to look for or calculate VAT.
- If inside Canada but outside of Ontario, system knows what tax structure for each province and will adjust VAT calculations accordingly.
- Calculated VAT doesn’t match receipt? Use Override VAT to enter different amount.
- To exempt VAT (if using Missing Receipt Authorization or no itemization on receipt) VAT Information hyperlink – Applicability – exempt – Adjust Affected Defaults, Return to Report (bottom of screen).
Travel & Expenses:

Diners MasterCard

- Transactions are uploaded directly from Diners
- Use My Wallet, specify expense type while still in My Wallet, then import to T&E report.
- Update description – Diners’ description isn’t enough
- Payment type cannot be changed if charge came from My Wallet
- To delete a transaction without going through a T&E report, go to My Profile, My Wallet – choose transactions to delete (good for personal items paid directly to Diners by card holder)
- Update new card information (and new expiration dates) with aphelp@mcmaster.ca – send only last 4 digits of card
## Purchase Requisitions: Policy SP01 / Thresholds

<table>
<thead>
<tr>
<th>Goods and Non-Consulting Services</th>
<th>Purchase Method</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$0 – $10,000</strong></td>
<td>P-Card / Non-PO Voucher / 1 written quote, or written invoice, or other evidence supporting the amount</td>
</tr>
<tr>
<td><strong>$10,001 – $50,000</strong></td>
<td>2 written quotes</td>
</tr>
<tr>
<td><strong>$50,001 - $99,999</strong></td>
<td>Minimum 3 written quotes</td>
</tr>
<tr>
<td><strong>$100,000 or more</strong></td>
<td>Open competitive RFx bid process (Public/MERX)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consulting Services</th>
<th>Purchase Method</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$0 – $99,999</strong></td>
<td>Minimum 3 written invitational quotes or open competitive RFx bid process</td>
</tr>
<tr>
<td><strong>$100,000 or more</strong></td>
<td>Open competitive RFx bid process (Public/MERX)</td>
</tr>
</tbody>
</table>
Purchase Requisitions: SPREQBOX ORDERS OVER $10K

OBJECTIVE: Simplicity...Simplicity...Simplicity

ROLE (End-user):
1. Send email to spreqbox@mcmaster.ca
2. Provide:
   • Chartfield (For entire Req & or each item)
   • Delivery/ “Ship to” location
   • Contact information
   • Name of Requestor (must be valid Requisitioner in Mosaic)
3. Scan required information:
   • Quotes (per SP-01)
   • If required:
     • Singe/Sole Certificate (duly signed)
     • ICQ
     • Contract (duly signed)
4. Responsible to log “Receiving” of goods/service (if required)
Purchase Requisitions: Work Flow

2. Process 2. Requisition
5. Process 5. Payment

= Procure to Pay
ICQ : Independent Contractor Questionnaire

Payment to Individuals (Independent Contractors) Vs. Employees

Terms: “IC” = Independent Contractor / “SA” Signing Authority / “ICQ”= Independent Contractor Questionnaire / “Manager”= Senior Administrator of Unit (e.g. Faculty Manager, FHS Department Manager, Director)

Values Of Services > $10k

- NO
  - IC sends invoice & SA indicates payment process
  - SA sends ICQ and Non PO-Voucher to Accounts Payable

- YES
  - Obtain the required # of written quotes based on $$ value of services being provided per policy SP01
  - Submit quotes, approved Purchase Requisition and the ICQ with the HR Approval Number to Strategic Procurement Dept.
  - IC sends invoice. SA initiates payment process
  - SA sends invoice to Accounts Payable including the HR reference # on Invoice.
Non-PO Voucher:

- Used to pay invoices, reimburse non-McMaster employees and replenish Petty Cash.
- All you need: receipt/invoice and chart field string.
- Electronic workflow – attachments must be present.
- Can see at all times where the voucher is sitting in approvals – workflow. even shows who multiple approvers are (unlike T&E).
- Can follow payment through to cashed cheque information.
- Anyone with access to create a voucher in Mosaic is able to see all vouchers in the system.
Non-PO Voucher:

Summary tab holds the following information:

- Preparer name
- Status (budget and post)
- Approval history hyperlink – see who is in workflow
- Invoice number and amount
- Supplier and address (if not a single payment voucher)
- Link to payment information
- Date voucher created and date voucher last updated

Has the voucher been submitted properly? Need to see two things:

- Budget status is valid
- Approval history hyperlink visible in centre of screen
Non-PO Voucher:

- Invoice information screen: Pay Terms 00
- Invoice No field – the only information on cheque telling recipient why payment being made
- Bell Canada Invoice No Field format: 999-999-9999 MMM YY
- Rogers Invoice No Field format: Invoice number (no other information!)
- Mosaic prevents duplicate payments to suppliers therefore Bell Canada invoice reference format must be followed
- Confirm address for supplier by hovering mouse over name – if wrong, use Supplier ID magnifying glass to change
- Save for Later until voucher completed, attachments added – then Save, Budget check and Submit
- Invoice Line VAT – where VAT is exempted or changed to GST if necessary
Non-PO Voucher:

- Honorariums, living allowances, payments to individuals and sole proprietors for services – set up as supplier for income tax (NOT for HST/GST) purposes
- Employee vs independent contractor – when in doubt complete ICQ
- Non-Canadian residents – 15% income tax withheld and remitted to CRA unless tax waiver obtained – even if waiver granted, must still be set up so McMaster can send a T4A-NR (non-resident) form at year’s end
  - Chart available to calculate increase in voucher amount if department wishes to cover the income tax withholding so recipient receives original amount discussed (additional 17.6471% added to it)
- Canadian residents – receive T4A at year’s end – no tax withheld
- Withholding voucher – has withholding link: SELF = Canadian resident and GROSS for non-Canadian residents – tells the system whether to withhold 15% income tax or simply track for T4A slip
Non-PO Voucher:

- Denied vouchers – to resubmit change fund or amount (by $0.01)
- Save the change, change it back to the correct fund or amount, save again, budget check and submit
- Confirm on summary tab that the voucher budget status is valid and approval history hyperlink is visible
- Do not use Notify button in Invoice Information screen – cheque returns to department on exception basis – when McMaster changes to EFT (electronic funds transfer) in the next few years this will not be an option
- Do not use Comments section of Voucher to have cheques returned
- Documentation tab on Mosaic portal
  - various interactive guides
  - quick guides, foreign payment form
- Missing Receipt Authorization form used? Do not claim HST/GST
Questions: