A message from the Director…OfficeMax

As you have probably heard we are in the process of switching from WB Mason to OfficeMax for our office supply vendor. This was done through a competitive bid that included the entire University system. The University will save approximately $1.2 million per year over our current contract prices… quite a reduction by any standard.

The OfficeMax web site is pretty intuitive so you shouldn’t have any problems with using it but if there are questions both the Procurement and OfficeMax staff will be available to assist you. Our campus representative for OfficeMax is: Bridget Wozniak - 774.452.1825 or BridgetWozniak@OfficeMax.com.

The Procurement Department and OfficeMax are co-hosting a “Meet and Greet” on May 20th from 10am - 2pm in the Student Union - Cape Cod Lounge. A number of vendors that provide products to OfficeMax will also be on hand. The event will include demonstrations, handouts, refreshments, various samples and raffles. So, please plan to attend to meet Bridget and see what OfficeMax has to offer.

The OfficeMax contract will be effective May 5th so as of that date the WB Mason logo will be replaced on the BuyWays site with the OfficeMax logo. As soon as you see the OfficeMax logo you can start ordering. The 1st orders will arrive on campus on May 6th. The driver and delivery trucks will be marked with the OfficeMax logo and name so it will be clear who they are. The driver and delivery manager have already been on campus reviewing the routes but because we have a large campus it will take the driver awhile to know where everyone is located so please be patient. Please report any issues or great customer service to my office through Holly Lankowski (413.545.1748 or lankowski@admin.umass.edu) as she will continue to be the Procurement Office contact. I am also available if Holly is away from the office.

Remember to mark your calendar –
OfficeMax – Meet & Greet
May 20th – 10:00-2:00
Student Union – Cape Cod Lounge

Thank you!

John O. Martin
Director of Procurement and Campus Services
Procard, Department Travel Card, PO and the University Tax Exempt Status

Recently a question came up on the University tax exempt status and whether Meals Tax should be treated the same way we treat Sales Tax. Clarification was received from the Controller’s Office on this topic. According to Norm Gousy, Assistant Controller, “Technically the MA meals tax and the sales tax can both be treated the same. The tax exception certificate is good for both.”

Where we treat things differently is how the payment is made. If the purchaser is using a university payment instrument like a PO, Procard or Department card, then it is easy for the vendor to assume it is university business. William Lo, Tax Analyst at the President’s Office confirmed the following; if we are making a payment to a vendor that would normally be subject to a sales or meal tax, we should be exempt when conducting University business. This is true even when paying out of pocket if an ST2 and ST5 is presented. Please be advised that willful misuse of this certificate may result in criminal tax evasion sanctions of up to one year in prison and $10,000 ($50,000 for corporations) in fines.

Using personal funds for a university purpose is not as clear for a vendor. Accordingly, the campus has taken the position that we will reimburse an employee when charged a meals tax and the employee uses out of pocket for payment. That is the logic behind the Controller’s FAQ page - http://www.umass.edu/aco/ap/apinfofaqdept.htm, under #5.

We pay:
- Mass Sales Tax on goods - Non-Employee reimbursement (individual)
- Mass Meals Tax - Reimbursement to an Employee only
- Out of State Sales/Meal Tax (unless the University has a reciprocal agreement)*
- Hotel Tax - City tax, State tax, Town tax
- Room tax
- Gasoline & Fuel Taxes
- Airfare Tax

We don’t pay:
- Mass Sales Tax on goods – Vendor payment (when using a university payment instrument) or Employee reimbursement only when an employee is in travel status
- Mass Meals Tax – Vendor payment (when using a university payment instrument)
- Mass State Excise Tax
- Property Tax
- Cell Phone Sales tax

*If an out-of-state vendor charges us their state’s sales tax and we have a reciprocal agreement with that state, we may be exempt. Please check with the Controller’s Office for states that the University has obtained reciprocal agreements.

Whenever possible, departments making purchases that can be assessed a sales or meals tax should use a university payment instrument and be ready to submit to the vendor an ST5 and ST2. We understand that an employee purchasing, for example, a sit down meal at a MA restaurant does not always have a university payment instrument for this type of purchase therefore the meals tax when assessed by the restaurant will be reimbursed to the employee if approved in the department.

We don’t treat sales tax on goods in the same manner because we don’t want to reimburse employees for supplies; that’s what the Procard is for. When using a Procard for take-out or a PO for meals we fully expect that sales tax be removed from the bill given that the purchase is made directly to the vendor using a university payment instrument. In other words, there should be no confusion with the vendor as to whether the sale is for University business when a university payment instrument is used.
Purchase of Radioactive Materials

Please note that the University’s Procard may not be used for the purchase of Radioactive Materials. This is an audit and tracking issue, and is listed as prohibited in the Procard User Guide. All Radioactive Materials must be requisitioned using the University’s BuyWays Purchasing System, in accordance with established Purchasing policy. Please go to the Procurement Department website/Policies/Purchase of Radioactive Materials (ordering of), for details on how to place such orders. http://www.umass.edu/procurement/policyindex.html

BuyWays - Things to Remember

- **When the Blanket Order checkbox is selected**, all lines on the purchase order become blanket order lines and the quantity must be 1 on all lines. The system will take larger quantities, but it will not transmit the purchase order to the vendor until the blanket order checkbox is removed. The purchase order will then become a regular order and will restrict the number of invoices for each line to the quantity on the line.

- **Check the Commodity to Account Code Crosswalk document** at our website to match your account code to its preferred commodity code. This will avoid delays in processing your requisition and will insure proper workflow and AP tolerances. The document can be found on the Procurement website. http://www.umass.edu/procurement/docs/Proc%20Workflow%20and%20Commodity%20to%20Acct%20Crosswalk_6_2013.xlsx

- **Check the Approvals, Comments, and History tabs** in your requisition to check on the status of the requisition. The same tabs are on the PO side as well. All activity shows up in History. These tabs can answer many of your questions and can save you time and phone calls.

- **To look up contract information and vendors at the MHEC website, you need to create a log-in.** The MHEC contracts are open to member institutions only- including UMASS. To create a log in, go to http://www.mhec.net/, select Member Login and click on the link provided for those who do not have an account already. Once you have created your account and logged in, go to the Search tab, Search the Database, and click the drop-down arrow next to Vendors- there they are! Use the other drop down menus to narrow your search and get the results you need.

- **Attachments to requisitions** should be added as EITHER an internal or external attachment. They should not be attached in both places, as the system limits the amount of space that they are allowed to take up. You can access them, and Procurement can see them, no matter where they are. Following are where the most common types of attachments should be placed.
  
  - **Internal Attachments** - Things the vendor should not see, or does not need to see: Sole Source Justifications; Quotes - when getting 3 or more quotes, the quote being used is an external attachment, the rest are internal; Employee Status Form; IT Procurement Form
  
  - **External Attachments** - Things the vendor needs to see:
    - Vendor's quote; Specifications; Contracts for Service; Amendments; Agreements; Licenses; Delivery order forms; Prevailing wage pages; Certificates of insurance

- **Email Notifications to Receive:** Department Requisitioners receive automated BuyWays email notifications when AP has an invoice against a purchase order that is missing a required receipt, which causes a voucher match exception. If the Requisitioner is not the receiver, the Requisitioner should forward the email to the appropriate receiver for the department. Once the receipt has been entered, the match exception will resolve itself and the email notifications will stop.
Quotes from Contract Vendors

Accurate quotes are essential to providing clear audit trails and ensuring that departments receive best value for the products and/or services being ordered. All contracts listed in the Procurement Contracts Access section of the Procurement Website (www.umass.edu/procurement) have been publicly bid by authorized entities including the Massachusetts Higher Education Consortium (MHEC), E & I Cooperative Services, the University of Massachusetts - Amherst Procurement Department, the University of Massachusetts System or the Operational Services Division of the Commonwealth of Massachusetts.

When requesting quotations from contract vendors, the department should be sure to verify that the quote references the contract source and the quote pricing matches the contract pricing format and terms and conditions. Please remember to reference the contract number in the purchasing requisition for easy reference.

New Vendors with Punch out Catalogs

Users of the BuyWays Purchasing System may have noticed that three new vendor punch-out catalogs have been added to the BuyWays Home page: Apple, B&H, and Bio-Rad. Requisitioners and Shoppers are requested to use the catalogs for purchases made from these suppliers. This brings the total number of catalogs that are available in BuyWays for high volume vendors to 18. We will continue to notify you when we add more vendors.

Citibank Reissued Procards & Department Travel

It’s hard to believe but over three years has passed since we moved our Procard and Department Travel Card business to Citibank. Accordingly, reissued cards are starting to arrive. The expiration date for any card you hold is the last day of the month listed. As an example, a card with an expiration date of 05/2014 expires on 5/31/2014. Cards are arriving approximately 5 weeks ahead of the expire date allowing us to set up drop-in delivery sessions to make this exchange quick and convenient.

Our office will be in touch via email with complete details when your reissued card arrives. The delivery process takes just a few minutes for you to show a photo ID, hand in your old card for shredding and sign for your new card. Cards can only be delivered to the named cardholder. If you have any questions or require any special assistance, contact our office at 413.545.0361 and ask to speak with the Procard or Travel Card Program Manager.
**Think Twice Before Using Express Mail**

Express mail is expensive. For an envelope under 8 ounces, it can cost between $16.95 and $38.00 depending on destination.

If you can allow 1 extra day, you can ship Priority for $5.60. Or better yet, for a 1 ounce document, allow 2 extra days and you can accomplish the same thing for .49 cents.

Keep in mind, most businesses and institutions do not process mail on the weekends and any shipment you make on a Thursday or Friday will likely not reach the recipient until Monday so save the money and send it regular 1st class.

If a signature is what you require, then use Certified mail with return receipt for the cost of $6.00.

Mail Service staff is always available for consultation on any mailing. Call 413-545-2488.

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**Reminder - WL&D Class Scheduled for May**

Join the Procurement Staff at our next Workplace Learning and Development class scheduled for May 15, 2014 – 9am – noon. This session will cover Procurement department functions; including purchase order (PO) requirements, contracts and policies for purchasing, contract for services, requests for bids, ProCard/Travel Card, in addition to Mail and Print Services.

Registration can be completed from the WL&D website –

http://www.umass.edu/wld/procurement . Hope you can join us!

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**Certificates of Insurance**

When is a Certificate of Insurance from a vendor needed? Well if a vendor will be coming on University property with equipment or to perform maintenance then a Certificate of Insurance should be attached to the requisition. This is what is called best practice and while it does not guarantee that the University would be covered for all cases, it can help if there is an accident resulting from the service. If you are not sure, it is better to ask the vendor for one and attach it to the requisition. In almost all cases, they are very willing to send one if asked.