

NEW YORK DIVISION OF MILITARY AND NAVAL AFFAIRS
OFFICE OF BUDGET AND FINANCE
330 OLD NISKAYUNA ROAD
LATHAM, NY 12110-2224

FISCAL POLICY MEMORANDUM

TRANSMITTAL NO: SFS-001

DATE: March 14, 2012

MEMORANDUM FOR: SEE DISTRIBUTION

Effective Date: April 1, 2012

SUBJECT: Agency SFS Policy and Procedures

GUIDELINES:

This Fiscal Policy Memorandum (FPM) applies to all state employees and militia members of the New York State Division of Military and Naval Affairs (DMNA) who utilize State funds, Special Revenue-Other funds or Federal funds administered through the Master Cooperative Agreements by the state.

General

All procedures contained in this FPM may be partially superseded or amended by special Executive initiatives. In that event further guidance will be issued by MNBF to specifically address the procedures to be followed.

SFS Credit Card
User Assistance:

MNBF will be responsible to create an Excel worksheet defining program and department chart fields for users. Additionally, a code assistance guide will be published by MNBF to aid SFS users in relation to requests.

Requisitions

New Vendors:

All vendors who do business with the agency must have an SFS Vendor ID Number (VIN). In the event a SFS vendor ID number is required for a contract or a transaction, MNBF- Fiscal Accounting (FA) must be contacted. MNBF-FA will refer the inquiry to the appropriate administrator who will initiate the process to obtain an SFS VIN. The vendor must keep this number for any possible future transactions in relation to any state agency.

Vendor selection: Final vendor selection for those procurements over \$500 will be determined by MNBF- Procurement and Contract (PC) officers in all cases except emergencies. Requestors will be required to provide scope of work (if applicable) and to recommend a specific vendor(s) for consideration. Requests from MNFE and all New York Air National Guard (NYANG) Bases will be required to submit a scope of work, vendor recommendations and quotes.

Funding Source: Agency programs will be assigned a Chart of Account (COA) code to identify the source of funding when requesting an item. Requestors will use this code when traveling, or in requisitions, and credit card reconciliations. These codes will be assigned by MNBF at the beginning of each state fiscal year. Additionally, a speed code user guide will be developed by MNBF with assistance from MNFE to aid requestors when using SFS for purchasing.

Agency Employee Role mapping: Any program that uses SFS where a state or federal employee is either a supervisor, requestor, approver, traveler or has reporting and inquiry authorization must notify the designated Employee Data Administrator of any change in status i.e. retirement, deployment or re-assignment. Any change in the current status may require a role map or workflow change of those duties. Program managers will be responsible to supply updated information to the Agency Security Administrators (ASA) to change workflows of current or new federal or state employees impacted by SFS.

Purchasing or P-Cards

General Program P-Card Issuance: The agency uses the Universal Fuel Cards (UFC) for watercraft and fleet vehicles. The UFC will be assigned by MNFE to the specific boat(s) and vehicle(s). MNFE currently administers the use of fuel cards and will continue to do so with SFS.

Issuance of all regular P-cards (non-fuel) will be conducted by MNBF.

Invoice vs. P-card In the event a vendor does not accept a credit card, an invoice must be obtained and submitted to MNBF. MNBF will be responsible to submit the invoice into the SFS system. All invoices need to be sent to MNBF to make payment.

Receiving Reports: Receiving report will only be done in the event a purchase order transaction is used to procure commodities and services. The report will be created in SFS by the receiver.

Preferred Method Of Payment: Procurement (P) Cards are the preferred method of payment for commodities and services. A requisition in SFS will be processed and a purchase order will be generated in the event a vendor does not accept the P- Card. The threshold is \$499.99 and below for this type of transaction.

Purchases \$500 and over: For all programs that have procurements \$500 and over, MNBF-PC with the exception of MNFE and NYANG will, after approvals, receive the request, obtain the necessary quotes and choose a vendor. Once a vendor is chosen, MNBF-PC will approve the request and it will be up to the requestor to check the SFS reporting and inquiry in relation to the status of the request. The requestor must send to MNBF-PC any specifications or scope of work (if applicable) related to their request. The SFS requisition number must be indicated on the documentation for tracking purposes. In some instances MNBF-PC may not move forward in obtaining quotes, identifying a vendor or approval without commodity or service criteria/specifications i.e. scope of work. In this instance MNBF-PC will return the request for further information. The requestor may also recommend a specific vendor to MNBF-PC. Additionally, MNBF-PC may require additional information or justifications if for example it is sole source procurement.

Documentation: Any required documentation associated with a procurement can be either scanned and electronically sent, or delivered via interagency or by mail the next business day to MNBF. Documentation such as quotes or justifications etc., prior to procurement must be forwarded to MNBF-PC with the SFS Requisition ID number identified. Any documentation forwarded to MNBF-PC without the SFS Requisition ID number will be returned to the requestor with no action taken to move the procurement forward.

P-Card Receipts: Documentation related to credit card purchases must be forwarded to MNBF-Voucher Processing (VP) with the cardholders name, date, and SFS requisition number (if applicable) annotated on the document. The documentation must be forwarded to MNBF on a daily basis. Any documentation without the aforementioned information annotated will be returned to the requestor for action. MNBF will be responsible to archive all documentation.

P-Card
Reconciliation: P-Card transactions will be reconciled in into SFS by the cardholder, irrespective of dollar amount.

Non P-Card
Receipts: Vendors must be instructed to submit invoices to MNBF-VP for processing. However, if the invoice is submitted by DMNA personnel it *must* be done on a daily basis. Invoices related to a purchase order must reference a purchase order number.

Credit Card limits: Limits for state credit cards for individuals or programs will be based on frequency of usage and dollar amounts.

Credit Card
Reconciliation: Credit card reconciliation *must* be performed by the cardholder on a daily basis.

Purchase Orders

Purchase Order
Thresholds: In the event a credit card is not accepted by a vendor, the threshold is \$0 and over and a SFS request must be initiated and a purchase order issued.

MNBF-PC will be responsible for issuing purchase orders at their discretion and will determine when required.

Requisitions: All purchase orders \$500 and over for services and commodities are required to be a requisition when using SFS. Ongoing services will be viewed as a term contract (see contract section).

Notification of
Approval: Requestors will be required to access the SFS Reporting and Inquiry function in the E-Procurement module to determine if their purchase order has been approved.

Receiving:

Receiving Report: A receiving report will only be submitted in the SFS system if a Purchase Order (PO) is used. P-Card use for a purchase will not require a receiving report in SFS.

Credit Card Purchase

Receiving Report: Credit Card receiving reports will not be required to be submitted in the SFS when using a credit card for procurements. When a state credit card user reconciles their transaction in SFS it will be understood that the goods and services have been received satisfactorily. When a credit card holder and a receiver are not the same, the credit card holder *must* be notified by the receiver that the goods and /or services were received satisfactorily.

Inspection of Commodities

Received: All commodities received will be inspected by a receiver to ensure it is the correct type, quality, and if applicable in good working order. Any issues must be recorded in the SFS receiving report. No commodity should be received if it does not meet the aforementioned criteria. A receiving report (PO purchases only) should not be submitted until the commodity(s) has been inspected.

Return of

Commodities: Return of commodities must be entered into SFS by the receiver. The individual who is role mapped to the “return to vendor” role approves the transaction.

Receiving Documentation

Retention: All receiving documentation if applicable and as required must be forwarded to MNBF-VP either scanned and emailed, delivered via interagency, or, by mail. All documentation forwarded must have a SFS Receipt Identification (ID) Number annotated. MNBF-VP will not accept any documentation without the SFS Receipt Identification (ID) Number annotated. Any documentation without the SFS Receipt Identification (ID) Number will be returned to the requestor for action.

Contracts:

Service Contracts, Term Services:

Term services are defined as a service of a specific vendor provided beyond the one instance. A term service contract will be initiated by MNBF-PC as a result of a requisition in the SFS system. A requestor will be required to enter the relevant information in the SFS system which will then follow the business approval process. During the business approval process the requestor (if applicable) will be required to submit any other documentation scanned and emailed, delivered via interagency, or, by mail with the SFS Requisition ID

number annotated to MNBF-PC to initiate the contract once authorization is obtained. MNBF-PC will not accept any documentation without the SFS Requisition ID number annotated. Such documentation without the aforementioned identifier will be returned to the requestor for action. Notwithstanding dollar value, purchase orders will be issued for all term service contracts.

Legislative

Member Items:

The administrator of the legislative initiatives (member items) for the agency will submit the needed data to MNBF-PC that must be entered into the SFS as a contract. A purchase order will be generated by MNBF-PC. The agency administrator will access the inquiry feature of the SFS system to determine the status of the contract. Once the purchase order is issued against a contract, the legislative initiatives administrator will generate a memo to MNBF-VP in relation to payment terms and amount. MNBF-VP will then issue payment.

Non

Military Use:

Non Military-Use (NMU) Contracts are considered customer contracts within SFS. All customer contracts in relation to NMU must be entered into the SFS for processing. Contracts under \$ 10,000 will only require an internal agency submittal in SFS. All customer contracts over \$10,000 will be generated as a procurement contract before it can be established as customer contract for approval. As a reminder all NMU contracts over \$10,000 must be submitted to the New York Attorney General's Office and the NY Office of the State Comptroller for approval prior to the commencement of the contract. NMU contracts over \$10,000 will require an assigned SFS Vendor ID Number.

Billing/Receivable:

MNBF will generate billing/invoicing in relation to a customer contract. Once MNBF receives the customer contract from MNFE an invoice will be generated and sent to the customer. This applies to all contracts notwithstanding dollar value. Any funds collected prior to contract approval will be placed in a pending status. If the contract is disapproved the funds will be returned to the customer.

Travel and Expense Reimbursement

DMNA Form 1010: Travel requests will be submitted into the travel authorization function in SFS. The DMNA Form 1010 is no longer to be used.

Retention of Supporting
Documentation for

Requests: Any supporting documentation seeking a travel authorization must be entered into the SFS for approval. All supporting documentation will be attached to the travel request authorization within SFS.

Travel Exemptions: MNBF will provide a list of those employees that are exempted from submitting a travel authorization in SFS as outlined in MNBF Fiscal Policy Memorandum (FPM) VP 004.

Reimbursements: Any documentation to support a travel expense (reimbursement) must be entered into the SFS for approval and processing. All supporting documentation will be attached to the travel request authorization within SFS. All travelers will maintain the hard copy supporting documentation for their travel reimbursement.

Personal

Reimbursements: Personal reimbursements are processed through the travel and expense module of SFS. Personal reimbursements not allowed in the area of purchasing commodities and services.

Questions: If there should be any questions regarding procurements in relation to this FPM, contact Ms. Maria Gallerie at (518) 786-4962 or your assigned state purchasing personnel. For all other inquiries regarding this FPM, contact Mr. Tom Halabuda at (518) 786- 4538

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