KFS Quick Reference Guide

Recurring Payment Requisition

Detailed instructions for completing a Recurring Payment Requisition is located at Portal > Finances/KFS > Purchasing > Training and Resources > KFS Purchasing Training Guides

Recurring Payment Guidelines
- Weekly, monthly, quarterly services (e.g. elevator maintenance, professional services) generally qualify
- Non-Service Items
  - Dollar value per transaction, and overall dollar value (minimum $1,000/year)
  - Volume of transactions (minimum 12/year)
    - Low Transactions/High Dollar (not an ideal candidate)
    - High Transactions/Low Dollar (ideal candidate)
- RPs cannot be created for UCIBuy suppliers
- RPs cannot be created for a majority of EDI vendors
  - Contact Central Purchasing for help if a RP for an EDI vendor is desired
  - List of EDI Vendors: Portal > Finances/KFS > KFS Accounts Payable > Accounts Payable Website > Resources > EDI Vendors

Multi-Year Contracts
Recommend to enter in KFS one year at a time and detail the extended years in the description field to satisfy vendor terms. Detailed instructions are located at: Portal > Finances/KFS > Purchasing > Training and Resources > KFS Purchasing Training Guides
- > KFS Purchasing Training Guides
  - If funds are encumbered for one year at a time, a Purchase Order Amend needs to be completed within 90 days before the close of the Fiscal Year. Instructions for Purchase Order Amend for Multi-Year Contracts are located at: Portal > Finances/KFS > Purchasing > Training and Resources > KFS Purchasing Training Guides

Multi-Line Items vs Lot Entries
- If the Requisition is for an EDI Vendor, users must enter each line item separately (consult with Central Purchasing to determine the correct Item Type to use) to match the vendor's invoice otherwise the invoice cannot be processed for payment.
- Never use one lot as a unit of measure for the Requisition.

For additional guidance on setting up Recurring Payments, contact a buyer in Central Purchasing: 949.824.4040 x3.

Document Overview Tab
- **Description:** Begin the description with RP (Recurring Payment).
- **Explanation:** Include detailed notes for this field, including the previous purchase order number, if applicable. This helps the Contract Manager communicate appropriate information to the supplier.

Delivery and Vendor Tab
- No additional changes from Requisition Fundamentals instructions.
- Ensure the start date is entered in the **Date Required** field.

Items Tab
- **Item Type:** Use **No Qty, taxable** for Recurring Payments. This is for all cases. The Purchase Order will lien tax and AP will review the invoice and determine if any tax is applicable. For example, if parts were included.
  - **Quantity** and **UOM** fields are left blank.
- **Description:** The most important field in processing a Recurring Payment. Include the following 5 bullets in the **Description** field on a separate line (shown below):
  1. **Description of Product(s) or Service(s):** provide as much detail as possible.
  2. **Identify owner of Recurring Payment PO (RPPO)**, e.g. department, lab, group – "For Smith Lab in Biological Sciences"
  3. **Authorized persons (Authorized Users)** allowed to purchase, i.e. Jane Smith, Mary Jones, etc.
  4. **Period of performance** – "Period of performance 7/1/15 - 6/30/16"
  5. **Total cost not to exceed.** If "taxable" is selected, tax is added to the dollar amount entered in the line item. Adjust the **Unit Cost** and max dollar amount accordingly.
     - Example 1: Total cost not to exceed 12 monthly payments of $3,000, for a total of $36,000. If tax is to be included, change the dollar amount to reflect tax, (i.e. change $36,000 to $38,880).
     - Example 2: Copier maintenance as needed, total cost not to exceed $3,000. *Users need to consult with the supplier to obtain a standard price list for commonly purchased goods and services, e.g. service call $100; cleanup & lubrication $25; drum replacement $200 (same tax logic from above applies).*
  - **Note:** 254 characters transfer to the vendor; Contract Managers need to complete the Stipulations tab for Recurring Payments that exceed 254 characters.
- **Unit Cost:** Enter the total dollar amount, select **add** under the **Actions** column.
  - To back out tax, divide the total by 1.08 (represents 8% tax). For example, if the total cost is not to exceed $36,000, enter $33,333.33 in the **Unit Cost** field. *KFS system rounds two decimal points which can impact final amount. In that case it's better to be over than under.*

Payment Info
- Check the box next to **Recurring Payment** and use the calendar icon to input a date range for the Requisition.
  - Calculate 90 days after the end date to allow payments to be made after the PO is closed.

Notes and Attachments Tab
- Many services include a supplier agreement or quotation, which may contain terms and conditions. Don't forget to attach.

Calculate and Submit the Requisition