Northeast Higher Education District

Minnesota State Marketplace – NHED Process

Introduction:

Minnesota State Marketplace is the e-procurement solution used across NHED and supported by Minnesota State. Marketplace automates most procurement processes, allowing users to procure goods by shopping in an online environment that provides both catalog and non-catalog options. Users place goods in a shopping cart and initiate a series of workflow events, reviews, and approvals. This tool will increase efficiency as approvals are obtained electronically, and purchase orders can be distributed automatically to vendors.

Marketplace also serves as the document repository for NHED and its colleges. At each step of the electronic workflow, users have the opportunity to upload various types of documentation to help support the decisions made throughout the Marketplace process. Documentation such as vendor quotes and contracts, packing slips and receipts, and vendor invoices can be attached to the electronic process and stored in the Marketplace system.

Shared Services Model – Marketplace Purchasing & Accounts Payable Contacts:

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**Electronic Process and Workflow:**

**Shop and Create Requisition**
The Requestor selects the type of requisition needed and identifies the vendor and desired items to create a draft requisition. Once the Requestor completes his or her shopping, the draft requisition is submitted to the Purchasing function for approval.

**Approve Requisition**
The Purchasing function receives the submitted requisition from the Requestor and reviews the details of the requisition. Once the requisition is verified for completeness and accuracy, the Purchasing function approves the requisition.

**Create Purchase Order**
The Purchasing function creates a purchase order from the approved requisition. The purchase order flows to ISRS Web Accounting, performs a check against the existing budget, and creates an encumbrance. Based on the method selected by the Requestor to distribute the completed purchase order, the purchase order can be automatically distributed to the vendor (via fax or email) by the Marketplace system.

**Receive Good(s) or Service(s) Ordered**
Once the good(s) or service(s) is physically received by the organization, it must be electronically received in Marketplace by the original Requestor. Ideally, the electronic receiving step should be completed within 24 hours of physically receiving the good(s) or service(s). Most of the good(s) or service(s) ordered will be electronically received with a quantity receipt. However, Requestors may be required to electronically receive a good or service purchased through a blanket order with a cost receipt.

**Complete 3-Way Match and Accounts Payable Payment**
After the good(s) or service(s) is received electronically and the Accounts Payable function obtains an invoice from the vendor, the Accounts Payable function enters the invoice into Marketplace. The system then initiates the 3-way matching process to compare the purchase order, the amount(s) electronically received, and the vendor’s invoice. If a 3-way match of the pricing and quantity exists between the purchase order, the amount(s) electronically received, and the vendor’s invoice, the invoice then moves forward for a final review and approval by the Accounts Payable function. The invoice will be paid, and the transaction information is immediately sent to ISRS Web Accounting.