

2.003 Roles and Responsibilities

The separation of duties and responsibilities during the various stages of the procurement and payment processes establishes proper internal controls to ensure that appropriate regulations and business practices are followed. Guidelines for those involved with procurement and payment transactions are outlined below:

I. Roles and Responsibilities of the Principal Investigator and Project Staff

- A. Determine procurement needs, and research and identify vendors that may fulfill those needs.
- B. Ensure that individuals making purchasing decisions are knowledgeable about and comply with RCUH procurement policies and procedures and with applicable UH policies and sponsor terms or revolving fund intent and purpose.
- C. Solicit prices, quotes, bids, or proposals from vendors.
- D. Prepare procurement documentation (i.e., solicitation documents, Sole Source Justification, Determination of Cost or Price Reasonableness, IFBs, RFPs, contracts, agreements, etc.) for review by the Fiscal Administrator (FA) and RCUH Procurement.
- E. Review contract and vendor terms and conditions.
- F. Analyze costs and other factors including vendor terms and conditions.
- G. Select a vendor and provide a basis for the vendor's selection.
- H. Create vendor records using the RCUH electronic procurement system.
- I. Ensure the propriety of the procurement, including whether the purchase is (1) in support of the award or revolving fund intent and purpose (allocable), (2) necessary, and (3) economical.
- J. Initiate and authorize Purchase Orders (PO), PO changes, and payment documents in the RCUH electronic procurement and payment system.
- K. Maintain relationships with vendors and resolve any contract disputes that may arise.
- L. Perform contract management, including the monitoring of vendor/subrecipient performance.
- M. Ensure the proper receipt of ordered goods or services.

- N. Ensure the proper accounting recordation of encumbrances and expenditures, including the appropriate coding of all purchases and payments.
- O. Inform the FA in advance about any non-routine procurements (e.g., RFPs) that will require assistance and review.
- P. Comply with HIPAA (Health Information Portability and Accountability Act), if applicable.
- Q. Comply with export controls laws and regulations, if applicable.
- R. Prepare payment documentation (i.e., travel allowance tax calculation form, fund transfer fax request, etc.) for review by FA and RCUH Disbursing.
- S. Initiate payment requests in the RCUH electronic payment system.
- T. Ensure that costs are in compliance with procurement and disbursing requirements, UH policies, and sponsor terms or revolving fund intent and purpose (allowable, allocable, and reasonable).
- U. Ensure the availability of funds.
- V. Ensure financial stability and solvency of the revolving fund (if applicable),
- W. Track documents and paperwork flow.
- X. Ensure that RCUH procurement and payment transactions remain compliant with all applicable laws, regulations, federal requirements, and tax rules.

II. Roles and Responsibilities of the Fiscal Administrator

- A. Serve as a liaison between the Principal Investigator (PI)/Project staff and the RCUH Procurement and Disbursing Department.
- B. Assist the PI/Project staff to ensure that individuals making purchasing decisions and payment transactions are knowledgeable of and comply with RCUH procurement and disbursing policies and procedures.
- C. Advise the PI/Project staff on prior approval, compliance with procurement and disbursing requirements, UH policies, and sponsor terms or revolving fund intent and purpose.
- D. Inform RCUH Procurement in advance about any non-routine procurements (e.g., RFPs) that will require assistance and review.
- E. Provide guidance in procurement planning.
- F. Provide assistance in the review of procurement documents (i.e., solicitation documents, Sole Source Justification, Determination of Cost or Price Reasonableness, IFBs, RFPs, contracts, amendments, etc.).

- G. Review costs and other factors, including contract terms and vendor terms and conditions.
- H. Validate that adequate funding is available.
- I. Work closely with the PI and Dean/Director to ensure the financial stability and self-sufficiency of the revolving fund (if applicable).
- J. Assist the PI/Project staff in resolving any contract disputes that may arise.
- K. Ensure the proper accounting recordation of encumbrances and expenditures, including the appropriate coding of all purchases and payments.
- L. Provide assistance and review of payment documents (i.e., travel allowance tax calculation form, fund transfer fax request, etc.)
- M. Review all POs, PO changes, and payment documents, and approve only those that are in compliance with procurement and disbursing requirements, UH policies, and sponsor terms or revolving fund intent and purpose
- N. Assist the PI/Project staff in performing contract management, including the monitoring of vendor/subrecipient performance.
- O. Work with RCUH on issues related to tax compliance, including tax withholding and reporting.
- P. Maintain comprehensive procurement and payment file for audit and management purposes, including all signed documents (a scanned or faxed copy of a manually signed document is sufficient; the only exception is IRS Form 8233 (the original form must be obtained and given to RCUH Disbursing to maintain)).
- Q. Assist the PI/Project staff in ensuring that costs are in compliance with procurement and disbursing requirements, UH policies, and sponsor terms or revolving fund intent and purpose (allowable, allocable, and reasonable).
- R. Ensure that RCUH procurement and payment transactions remain compliant with all applicable laws, regulations, federal requirements, and tax rules.

III. Responsibilities of Program Head/Dean/Director

- A. May elect to review and sign procurement and payment documents > \$24,999.99; otherwise this responsibility is deemed to have been delegated to his/her Fiscal Administrator.
- B. Be responsible for any deficits and disallowances that occur, including securing the necessary funds to cover such costs.

IV. Roles and Responsibilities of RCUH Procurement & Disbursing

- A. Engage in the maintenance of the RCUH web portal (the procurement and payment system).
- B. Provide support to the PI/Project staff and FAs on procurement and payment matters.
- C. Provide support and guidance for non-routine procurements (i.e., RFPs, IFBs, and non-standard contract terms and conditions).
- D. Formulate, maintain, interpret, and enforce procurement and disbursing policies, procedures, and practices.
- E. Ensure that the RCUH procurement and payment policies, and system remain compliant with all applicable laws, regulations, and the Office of Management and Budget circulars.
- F. Review and approve procurement transactions > \$24,999.99, following Program Head/Dean/Director or FA approval.
- G. Review contracts, agreements, and vendor terms and conditions. Authorize acceptance of and modifications to vendor's terms and conditions.
- H. Review procurement documentation including IFBs, RFPs, POs, etc.
- I. Develop procurement, payment, and travel forms.
- J. Provide support to FAs in their efforts to work with the PI/Project staff to resolve vendor/contractor disputes.
- K. Manage and maintain the RCUH vendor file (review and track new vendor records and information, maintain existing vendor records, and respond to user and vendor inquiries).
- L. Process all resident and nonresident alien and foreign entity payments (create foreign vendor records, review passport documentation and immigration forms, review UH Form WH-1 and the various IRS Form W-8s and other related IRS forms, analyze tax treaty claims, and withhold tax as needed).
- M. Work with FAs on issues related to tax compliance, including tax withholding and reporting.
- N. Process wire payment transactions (review bank forms, submit bank transactions, and complete journal vouchers).
- O. Review substantiation of vendor advance payments and cash advance allowances, when clearing advances made against RCUH internal accounts.
- P. Perform data entry of offline (manual) documents including PO encumbrances, adjustments, and cancellations; wire transfer payments; foreign payments; and other miscellaneous payments.

- Q. Review and approve non-PO payment transactions > \$24,999.99, following Program Head/Dean/Director or FA approval.
- R. May elect to audit purchase and payment documents.
- S. Assist FAs in ensuring that RCUH procurement and payment transactions remain compliant with all applicable laws, regulations, federal requirements, and tax rules.

V. Financial Responsibility

Although RCUH’s name is used as a party to a contract, PO, or other agreement on behalf of the Project, the financial responsibility for such contracts, POs, and other agreements remains with the University of Hawai’i, or, if involving a non-UH Project, the Direct Project.

Below is a matrix summarizing the above roles and responsibilities in the procurement and payment process:

Roles & Responsibilities	PI & Project	FA	RCUH
Provide an efficient procurement and payment system that supports the PI/Project staff in their procurement and payment of goods and services.			X
Formulate, maintain, interpret, and enforce procurement and disbursing policies, procedures, and practices.			X
Provide training and guidance to project staff and FAs to help with their procurement and payment responsibilities.			X
Ensure that individuals making purchasing decisions and payments are knowledgeable about and comply with RCUH procurement policies and procedures.	X	X	
Develop draft procurement documents (IFBs, RFPs, POs, contracts, agreements).	X		
Review draft procurement documents (IFBs, RFPs, POs, contracts, agreements).		X	X
Plan procurement or assist with procurement process (researching purchase, formulating specifications, soliciting prices/quotes/bids/proposals, evaluating responses).	X	X	

Ensure availability of funds.	X	X	
Select vendors and provide basis for vendor selection (source selection).	X		
Ensure allocability, allowability, and reasonableness of costs and expenditures.	X	X	
Review contract terms and vendor's terms and conditions.	X	X	X
Comply with HIPAA and export control laws and regulations.	X		
Authorize acceptance of and modifications to vendor's terms and conditions.			X
Create RCUH vendor records.	X		X
Manage and maintain the RCUH vendor file.			X
Initiate procurement and payment documents.	X		
Ensure proper recordation of encumbrances and expenditures, including appropriate coding of purchases and payments.	X	X	
Authorize all POs, PO changes, and/or payment documents.	X		
Approve all POs, PO changes, and/or payment documents.		X	
Authorize, review, and approve POs, PO changes, and/or payment documents > \$24,999.99, following Program Head/Dean/Director or FA approval.			X
Review and approve non-PO payment transactions > \$24,999.99, following Program Head/Dean/Director or FA approval.			X
Process all resident and nonresident alien and foreign entity payments.			X
Work with FAs on issues related to tax compliance, including tax withholding and reporting.			X
Process wire payment transactions.			X

Review substantiation of vendor advance payments and cash advance allowances, when clearing advances made against RCUH internal accounts.			X
Perform contract management including vendor and subrecipient performance monitoring.	X	X	
Maintain relationships with vendors including resolving contract disputes.	X	X	
Serve as a liaison between the project and RCUH Procurement & Disbursing.		X	
Provide procurement and payment assistance.		X	X
Ensure that RCUH procurement and payment transactions remain compliant with all applicable laws, regulations, federal requirements, and tax rules.	X	X	
Assist the FAs in ensuring that RCUH procurement and payment transactions remain compliant with all applicable laws, regulations, federal requirements, and tax rules.			X

VI. Relevant Documents

[UH AP 8.025 Fiscal Responsibilities within the University](#)

[UH AP 8.220 General Principles](#)

[UH AP 8.926 Administrative Procedure](#)

[UH AP 12.203 Service Orders to the Research Corporation of the University of Hawaii](#)

[UH AP 12.204 Revolving Fund Service Orders to the Research Corporation of the University of Hawaii](#)

[Memo Regarding Responsibility for Procurements \\$25,000 and Greater on Accounts Service Ordered to RCUH](#)

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