

PURCHASING AND ACQUISITION
PURCHASING PROCEDURES

CFD
(REGULATION)

The purchasing department will make every effort to serve faculty and staff in procurement of equipment, materials, supplies, and contract services.

Each department shall accept the responsibility for sound purchasing principles for their areas of responsibility, including reviewing and approving all purchase orders.

LEASE-PURCHASE OR
RENTAL
AGREEMENTS

All forms of lease, lease-purchase, or rental agreements for the procurement of materials or services must be signed on behalf of the College by the purchasing director.

A formal purchase order will be issued for these types of agreements. The using department should indicate whether it is a new or renewal agreement. When possible, a copy of the proposed lease agreement should accompany the requisition.

Prior to accepting lease agreements, as submitted by the requisitioning department, the purchasing department will analyze each one to determine the economic soundness of whether the goods or services should be leased or purchased. Some of the factors that will be considered in making the determination are as follows:

1. Title — Who retains title to the equipment?
2. Liability — Who is responsible if equipment is lost, stolen, or damaged?
3. Insurance — Does the vendor carry sufficient insurance on his or her employees when rendering services and/or is the equipment adequately insured?
4. Maintenance — Are all maintenance costs included in the original cost of the lease or is the College responsible for maintaining the equipment at its own expense?
5. Payback period — For outright purchases, what is the payback period, and what credits are accumulated in the event that a lease-purchase agreement is executed?

VENDOR SALES
AGREEMENTS

The College will refrain from signing vendor sales agreements. Terms and conditions governing a purchase may be found on the purchase order or, in the case of government funding, are enclosed with the order.

After a properly executed requisition is received, the purchasing director will sign and forward all forms required by the vendor with the purchase order.

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EMERGENCY
PURCHASING
PROCEDURES

Normal purchasing procedures may be suspended when the following conditions exist:

1. The physical plant is placed out of commission, or such a condition appears imminent due to mechanical failure.
2. The teaching function of a class in progress will cease due to lack of supplies, and the need could not be anticipated through careful planning and/or preparation.

BLANKET ORDERS

Blanket purchasing agreements will be established with local firms by the purchasing department. After implementation of these agreements, purchases may be made directly by campus personnel. These blankets and their proper use are defined as follows:

1. Convenience blankets — These are blankets given to various vendors to purchase miscellaneous consumable supplies. Usually the commodities being bought against these blankets have not been formally bid. For this reason, blankets of this type will not be issued for more than \$3,000 per vendor per fiscal year. Releases or individual orders against these blankets are not to be for more than \$300. For transactions of \$300 or less, the verification or the receiving report process will not be performed by shipping and receiving. It will be the responsibility of the department receiving or picking up the items to forward proof of receipt with the appropriate signatures to accounts payable for payment processing. Purchases over \$300 should be made on a separate purchase order. This allows purchasing to source the items and guarantee the College the best quality and price.
2. Contractual or bid blankets — These blankets are issued as a result of the formal bid process. Commodities in this group are usually specific and have been publicly bid and awarded to a successful vendor. In this case, there is a contractual agreement between the vendor and the College for the particular commodities and pricing. These blankets have no ceiling on them because the College has formally satisfied state bidding requirements. This allows the College to buy at an unrestricted amount. Blankets of this type are usually limited by prudence and budget constraints.
3. No blanket, regardless of type, is to be used to buy equipment, to avoid local College-bidding requirements, to split orders, or to circumvent the purchasing process.

SPECIAL
PURCHASING

The purchasing department grants the following exceptions to centralized purchasing:

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1. Some transactions have no tangible goods to be received, and others to which the purchasing department can add little or no value. These transactions will not go through the purchasing department, but will be processed on a "direct pay" form. These transactions should be originated by the requisitioning department and submitted directly to accounts payable for processing. Direct pay transactions will have the same type of department and/or administrative approval as purchase orders. Specific types of transactions handled through direct pay include, but are not limited to the following:
 - a. Seminar or conference fees
 - b. Preview materials
 - c. Insurance premiums
 - d. Food service contracts (College caterer)
 - e. Memberships
 - f. Professional licensing of employees
 - g. Subscriptions
 - h. Professional services (attorneys, CPAs, etc.)
 - i. Reimbursements (wellness benefits, petty cash funds, etc.)
2. Procurement for the bookstore is delegated to the bookstore manager. All capital outlay and maintenance purchases will be directed through the purchasing department.
3. Food and beverage procurement for the food service is delegated to the food service contractor. All capital outlay, maintenance, or supplies bought with College funds for the food services area will be directed through the purchasing department with approval of the associate dean of financial services.
4. The procurement for library volumes and subscriptions will be delegated to the library department. All other library purchases will originate through purchasing.
5. Prior to the purchase of audio/visual equipment, the advice and recommendation of the media services department will be required.
6. Prior to the purchase of computer equipment the advice and recommendations of the technology committee and/or the computer services department will be required.

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7. Contracts for new construction or renovation will be reviewed by the appropriate dean and approved by the College President or designee.
8. Contracts for business and personnel services (insurance, attorneys, etc.) will be reviewed by the appropriate dean and approved by the College President or designee.
9. Other transactions for which there already exists a stand-alone form will not require either a purchase order or a direct pay form. Some of these transactions are cash advances, travel expenses, consultants, and other business office directives.

INCOMING
SHIPMENTS

Procedures for incoming shipments are as follows:

1. Incoming shipments will be received by central receiving personnel and inspected immediately upon delivery.
2. After inspection and after the receiving report is prepared, the material will be delivered by shipping and receiving personnel. The original packing list must be attached to the receiving report.
3. Delivery will include moving the material to the location designated by the requisitioning department. Since accountability cannot be assigned to students, students are not to be designated to sign for delivered merchandise.
4. Any discrepancies in shipments should be reported promptly and in writing by the requisitioner to shipping and receiving, purchasing, and accounts payable.
5. The purchasing department will notify vendors of discrepancies and will resolve the problems involved in completing the transaction. In case of damage to a shipment, all packing materials should be saved.
6. Invoices enclosed with shipments are to be sent directly to accounts payable.

SHIPPING

Procedures for shipping are as follows:

1. The shipping and receiving clerk is responsible for coordinating all outbound shipments from the campus.
2. When possible, items for shipment should be packed before calling shipping and receiving personnel to pick up merchandise.