

PURCHASING AND PAYABLES POLICY STATEMENT **(Revised June, 2023)**

The following purchasing policies will be in effect until further notice.

I. General – The purpose of this policy is to provide guidance on the acquisition of goods and services on behalf of Benedict College (the College). The tenants of this policy are designed to ensure that the resources of the College are safeguarded from waste, fraud and abuse. The following policies shall guide the purchasing process at Benedict College for all accounts (Institutional, Sponsored Programs and Agency).

A. Benedict College uses a Purchase Order system for procurement purposes. The Accounts Payable Department, under the Office of Business and Finance, is responsible for issuing purchase orders.

B. The following positions are authorized to originate and approve the requisition and acquisition of goods and services on behalf of Benedict College:

President
Executive Vice President
Vice President of Business and Finance
Vice President of Academic Affairs
Vice President of Student Affairs
Vice President of Institutional Advancement
Athletic Director
Budget or Project Director/Dean
Chief Information Officer

Conflict of Interest

Employees are not allowed to requisition goods or services from companies or providers with which they or their supervisors are affiliated. An employee is considered an affiliate of a company if the employee or the supervisor is in the employ of the company or has a material, i.e., greater than 5% ownership interest in the company or exerts meaningful influence/control over the company. Requisitions to

Unauthorized employees making purchases in the College's name will be subject to full financial responsibility for the goods received and/or services rendered and will be subject to disciplinary actions up to and including dismissal.

II. Requisitions - All purchase requests must be initiated by completing a purchase requisition.

A. All purchase requisitions must be submitted at least ten (10) business days before the item or service is needed. Requisitions submitted less than ten (10) days before an item or service is needed must be approved by the area Vice President, VP of Business and Finance (VP-BF) and the President regardless of dollar amount.

- B. The “Statement of Purpose” or how the purchase relates to the unit goals should be the first line of text on the purchase requisition.
- C. The account object code (4 digits) reflected on the requisition should describe the item or service being requested.
- D. Funds must be available on the appropriate budget detail line. Budget lines that have insufficient balances will require an approved Budget Transfer Form to authorize the transfer of funds to the appropriate budget line.
- E. A requisition for purchases of \$5,000 requires not less than three (3) written quotes or bids from qualified vendors.

III. Requisition Approval Policies - Purchase requisitions require at least two signatures; one by the requester and a second by the approver, who would not be one and the same. The following signatory approvals are required:

- A. Requisitions up to \$2,000 are approved by the Budget or Project Director and area Vice President.**
- B. Requisitions above \$2,000 require approval by the VP-BF and the President.**
- C. Sponsored Programs requisitions should be submitted to the Director of Grant Accounting who, after the appropriate reviews, will forward it to the VP-BF and the President.**

IV. Purchasing Actions

- A. Once a requisition is submitted to the Accounts Payable Department, the requisition will be converted into a purchase order and forwarded to the appropriate vendor for order completion. Accounts Payable will also supply a copy of the purchase order to the requestor their records and the Physical Plant for receiving.
- B. Purchases will generally be made from the most qualified vendor with the lowest quote.
- C. At the discretion of the VP-BF, or his/her designee, the purchase can be made on the basis of “Best Value”, where the vendor with the lowest quote does not receive the business, if in his/her estimation another vendor can provide better overall value to the College. This “Best Value” can be measured in terms such as shorter delivery times, more advantageous credit terms or a significantly higher quality deliverable at a marginally higher cost. In such an instance, the VP-BF, or his/her designee, will need to document in writing to file and the requestor why the lowest price selection was not made.

D. Requests for purchases from vendors who are designated as “Sole Source” or “Directed Procurements” must be accompanied by justification. Examples of such would be cases where the vendor is the only local provider of a good or service, where time is of the essence, or the vendor is one that the College typically uses for specific purposes such as Dell, Staples, etc. The CFO can determine the form of justification required and approve such requests.

V. Acquisition of Consultant and Other Specialized Services – A requisition must be used to request Consultant Services and other specialized services such as performances.

A. The requisitions should be submitted for approval at least ten (10) business days in advance of the actual services being performed and should detail why a specific provider is being requested, if such is the case.

B. The approval policies for purchase requisitions apply to requests for the acquisition of Consultant and Other Specialized Services. Additional documents that may be required are as follows:

1. Internal Revenue Form W-9

2. A resume for the Consultant if a particular Consultant is being requested where the resume details the specific or unique capabilities of the Consultant and a justification for such a directed procurement.

3. Service Rendered Form if the estimated service amount is \$1,000 or less and the provider does not provide an invoice in the normal course of business. The Service Rendered Form requires the signature of at least the Budget or Project Director/Dean for the budget area that the costs for the services are being charged.

4. A Standard College Contract Form is to be used if the estimated amount exceeds \$1,000. Contracts in value up to \$2,000 require approval by the Budget or Project Director/Dean and the Division Vice President. If the value is above \$2,000 approvals by the VP-BF and President are required. Sponsored programs requisitions for the acquisition of Consultant and Other Specialized Services require approval by the VP-BF and the President.

VI. Acquisition of Computer Hardware and Software – The Chief Information Officer must approve all technology purchases. Prospective purchasers of computer hardware and software are expected to work with the Office of Information Technology prior to completing a requisition for selected items. The goal of the technology review process is to ensure:

1. All hardware and software will operate effectively in the Benedict College environment;
2. The best pricing is received through consolidation of purchasing power;
3. There is proper review of licensing agreements for all software;
4. Clear expectations for maintenance, licensing, network connectivity, etc., of all hardware and software.

VII. Advances – Requisitions for payments in advance may sometimes be required in order to make authorized purchases of goods and/or services needed.

- A. Requests for advances must state why the funds are being requested and must be approved pursuant to the same policy as used for purchase requests.
- B. Advanced funds are considered an advance of wages and must be repaid to the College unless the employee provides itemized, original receipts of expenditures of the money.
- C. For general advances, the documentation must be returned within ten (10) business days after the receipt of the advanced funds. For travel advances, the documentation must be returned within ten (10) business days of the employee's return from the travel. See the College's Travel Policy Statement for a complete listing of requirements. A copy of the current Travel Policy Statement can be obtained from the Accounts Payable Department.
- D. In no event will employees be issued an advance if they have an outstanding advance for which they have not yet submitted an expense report, except as approved by the Director of Accounts Payable.
- E. By accepting an advance, employees authorize the College to deduct up to the full amount of the advance from their wages if the itemization of expenditures, complete with the receipts, is not provided to the Accounts Payable Department within the timeframes called out in this policy.

VIII. Employee Reimbursement - Reimbursement of personal funds expended on behalf of the College by employees for the valid procurement of goods and or services are made pursuant to the following guidelines:

- A. The Employee Reimbursement request must state why the funds were expended and must be approved pursuant to the same policy as used for purchase requests. The Employee Reimbursement request must be pre-approved by the Division Vice President.

B. For reimbursement, original and valid (paid) receipts must be presented. The receipts should have the following:

1. Vendor's name imprinted on the invoice or imprinted with a stamp
2. Method of payment
3. Amounts should not be altered

IX. Vendor Payment Process

A. The College will not be liable for payment for any merchandise received or services rendered without an authorized purchase order. Further, invoices submitted without an authorized purchase order or purchase order number, are subject to non-payment.

B. Payment to Vendors will only be made when the Accounts Payable Department receives an invoice for services covered by a purchase order. The Accounts Payable Department will assure that the invoice amount matches the purchase order amount and that the goods or services have been received by the College prior to Accounts Payable making payment on the invoice.

C. Vendor checks are generated on Wednesday of each week and are available for issuance on that Friday.

X. Check Cycle

A. Checks for advances, stipends, reimbursements, and refunds are generated on Tuesday and Thursday; and are available for issuance on Wednesday and Friday at the office of the Vice President.

B. In circumstances where a payment cannot wait until the normal check printing cycle, a Division Vice President or above can request the VP-BF to direct a special check printing cycle.