



PURCHASING POLICIES AND PROCEDURES

Authority

The College is exempt from the Oklahoma Central Purchasing Act (see 74 O.S. § 85.3), but is authorized to purchase all necessary supplies, materials, services, equipment, or other appropriate items. The College shall not make any expenditure that is prohibited by law.

The following guidelines are presented to establish acceptable procedures to be followed when goods or services are to be purchased on behalf of Eastern Oklahoma State College. The intent of this guide is to assist College personnel in the procurement of goods and / or services, and to insure that both the College and the vendor are protected in the process. The Director of Finance, when circumstances warrant or when it is in the interests of the College, may approve exceptions to these procedures. College personnel who fail to follow these guidelines may be held liable for any unauthorized purchase.

Authorization

Each department has an established budget. The budget gives the department the authority to purchase goods and services within the limits of that budget. A purchase of \$2,500 or more must follow the bidding requirements for equipment, supplies, contractual and professional services as outlined in the Bidding Requirement Policy approved by Eastern Oklahoma State College Board of Regents.

Purchase Requisitions

When a department wishes to purchase supplies, equipment, or services, a purchase requisition must be entered into the financial system. **Requisitions may not be split to avoid a bid.** The electronic document will route for the required signatures and advance to the Business Office Manager for approval. The requisition will be reviewed, and if approved, a purchase order will be issued and returned to the requesting department. The requesting department may place the order with the vendor once they receive the approved purchase order. The College is not liable for any purchases made prior to receipt of the approved purchase order. Any personnel making a purchase prior to the receipt of the approved purchase order may be held personally liable for the purchase.

If a purchase order needs to be changed for any reason, the department must request that the purchase order be voided and a new corrected purchase requisition must be entered. Purchase orders cannot be adjusted once issued.

Personal Reimbursements

Please be advised that the college is not liable for any expenses incurred prior to the issue of a purchase order. Personal reimbursements will **only** be allowed in certain circumstances. If an emergency or unpredicted expense is incurred personally by an employee, the employee may request for a personal reimbursement by entering a purchase requisition into the financial system with the employee being named as the vendor. Once the purchase request has been approved and a purchase order is issued, the signed receipt can then be submitted for payment with the purchase order and a completed Personal Reimbursement form.

Receiving Goods

Accepting delivery of goods is the responsibility of the department placing the order. It is the responsibility of the department to inspect all purchases, including opening and checking the contents. The department must determine whether the quality and quantity of the items purchased conform to specifications included in the requisition. If the items are to be accepted, the department must “receive” the goods in the financial system. Once the invoice is received, the invoice is signed by the appropriate department supervisor and stapled to the back of the purchase order to be turned into the Business Office for payment without delay.

If a partial shipment is received, only the items received and approved for payment should be “received” in the financial system. Items received and approved for payment should be noted on the face of the invoice and on the face of the purchase order along with a total dollar amount being approved for payment. The signed invoice is stapled to the back of a copy of the purchase order to be turned into the Business Office for payment without delay. Any subsequent shipments should be handled accordingly.

Blanket Purchase Order

A blanket purchase order authorizes unspecified purchases from vendors not to exceed a stated amount. Blanket purchase orders are issued for a stated period of time and a definite amount of money. Purchases made against blanket purchase order should be limited to supplies or services of small dollar value. **Equipment cannot be procured on a blanket purchase order.**

A purchase requisition is entered into the financial system. A comment should be added by the requesting department stating that a blanket purchase order is being requested instead of a standard purchase order. The electronic document will route for the required signatures and advance to the Business Office Manager for approval. Once reviewed and approved, a blanket purchase order will be issued. The requesting department may then begin purchasing from the vendor up to the dollar limitation of the blanket purchase order or until the blanket purchase order expires. The College is not liable for any purchases made prior to receipt of the approved blanket purchase order. Any personnel making a purchase prior to the receipt of the approved blanket

purchase order may be held personally liable for the purchase. Any personnel making a purchase against a blanket purchase that has expired or after the dollar limit has been reached may also be held personally liable for the purchase.

Receiving Goods Under a Blanket Purchase Order

Accepting delivery of goods is the responsibility of the department placing the order. It is the responsibility of the department to inspect all purchases, including opening and checking the contents. The department must determine whether the quality and quantity of the items purchased conform to specifications included in the requisition. Once the invoice is received, the invoice is signed by the appropriate department supervisor and stapled to the back of a copy of the blanket purchase order to be turned into the Business Office for payment without delay. Future items received should be handled in the same manner. (Note: there is no receiving process to do in the financial system for blanket purchase orders.)

Receipt of Damaged or Unsatisfactory Goods

If a shipment arrives with visible damages, the department employee should insist that the freight bills be noted "Received in Damaged Condition." The physical plant will assist with arrangements for an "Inspection Report" by the carrier's representative. All boxes and packing materials should be saved until after the carrier has made an inspection. In case of damage made to a parcel post delivery, the purchaser should contact the vendor and if necessary, the local post office. It is the purchaser's responsibility to negotiate a settlement with the vendor and return the merchandise, if necessary. Once the corrected goods have been received and/or a settlement has been reached with the vendor, the purchaser can then proceed to turn the purchase order and invoice into the Business Office for payment.

College Credit Card

The college credit card, referred to as the state Pro-Card or P-Card is an alternative form of purchasing. The intension of the implementation of the credit card is to facilitate employees travel. It also allows the College to access vendors who do not accept purchase orders or to make emergency purchases when time does not allow for a purchase order to be issued. All other purchases are to be made using a regular purchase through the College financial system. Currently, the administrator for the credit card program is the Travel Clerk in the Business Office. All travel expenses are coordinated through the program administrator, as outlined in the Travel Policy and Procedures. All other credit card purchases are to be processed through a credit card purchase requisition using the credit card system.

For an employee to be issued a credit card, they must complete a Credit Card Request Form and submit it for approval to the program administrator. Once approved, the credit card will be issued and access to the credit card system will be established.

To make a credit card purchase, a credit card purchase requisition is entered into the credit card system. The request must contain the following information:

1. Name of intended vendor
2. Estimated amount of purchase
3. A brief description as to the nature of the reason for the purchase
4. A list of items to be purchased
5. The department number to charge for the expense
6. A comment stating why a credit card purchase is being requested instead of a regular purchase order

The electronic document will route for the required signatures. Once approved, the funds are automatically loaded onto the card. If the requisition is not approved, the system will re-route the request back to the requester to make changes or to delete. Once the funds have been loaded onto the card, the requester may proceed with the purchase. It is the purchaser's responsibility to communicate with the vendor before a purchase is made that **EOSC is tax exempt in the state of Oklahoma**. Some other states recognize our tax exempt. For states that recognize our status, no sales tax is to be paid at the time of purchase. If sales tax is paid, the purchaser will be required to reimburse the college for the amount of tax paid or obtain a credit from the vendor.

When the purchase is completed, the requester must submit a copy of the approved credit card purchase request along with the signed invoice to the program administrator within three business days. Any employee that makes an unauthorized purchase on the credit card or who fails to turn in the required support within three business days after making a purchase may be held personally liable for the purchase. It is the responsibility of the program administrator to record the transaction in the college financial system against the appropriate departmental budget.

Fixed Assets

Capital purchases for the College with a value of \$1,500.00 or more and has a lifespan of at least three years is deemed a fixed asset. All such items are to be capitalized in the College's fixed asset system. The fixed asset equipment inventory change form is to be completed, with the tag number noted. The completed equipment inventory change form will be retained along with the copy of the purchase order and invoice by the Business Office. Any item that is transferred between departments, a new equipment inventory change form will need to be filled out by the department and returned to the Business Office. This change will be reflected in the College's fixed asset system.