

Office of Purchasing and Contracts
PROCEDURES MANUAL

May 12, 2011

INTRODUCTION

The Edinboro University Office of Purchasing and Contracts will provide for the needs of our faculty, staff and students through the timely and cost-effective procurement of goods and services for the campus community. In fulfilling its responsibilities, the Office will:

- Ensure the best value is obtained for all departments and offices of the University through competitive bidding and negotiation processes.
- Provide for the timely delivery of goods and services to facilities filling the needs of all students, faculty and staff.
- Continuously evaluate current market conditions and conduct periodic reviews of processes for improvement. Realize potential cost savings through implementation of new procedures.
- Serve as a point of contact between the University and community businesses to help promote the University as a vital member of the local community.

The President alone has the authority to sign contracts that bind the University, unless the President delegates this authority, in writing, to third parties. No one outside of the written delegates may legally sign contracts involving the University. Anyone who does so is acting outside the scope of his or her employment.

Designations of signatory authority is pursuant to Act 57 of 1998 and the Board of Governors Policy 1998-04. If you should have any questions regarding this or require assistance in any matter pending which will necessitate the preparation of a contract, please feel free to contact the Director of Purchasing and Contracts.

All purchases are to be made by the Office of Purchasing and Contracts, and that office is the sole point for issuance of purchase order numbers and/or purchase orders. Employees making contractual obligations, real or implied, with any outside source may be held monetarily liable for their actions. Further, any employee who makes an unauthorized commitment with any outside source may be held personally liable by that vendor, performer, contractor, etc.

PLANNING PURCHASES

Planning ahead for your supply, equipment, speaker and honorarium requests cannot be overemphasized. The time required to issue a purchase order or service purchase contract (SPC) and secure delivery or contract approval after receipt in the Office of Purchasing and Contracts of a properly prepared and approved requisition varies greatly. The bidding process usually takes from two days (bidding by phone) to fourteen days (bidding by mail). The workload at any given time within the Office of Purchasing and Contracts is also a factor. Delivery will always depend on the supplier's stock and how quickly they can produce or secure delivery from their suppliers. Service contracts requiring legal review require from one to six weeks, depending on complexity and dollar amount, for signatures of regional legal counsel, the Attorney General and Office of General Counsel.

INFORMATION FOR VENDORS

The University's Purchasing and Contracts Office is open from 8:00 a.m. to 4:30 p.m., Monday through Friday, with the exception of holidays. You may contact our office at (814) 732-2704 or by fax at (814) 732-2281 or via e-mail (webmaster@edinboro.edu). Vendors should contact the office for an appointment.

Vendor List

Vendors should provide a cover letter, along with a product line card and request to be placed on the Vendor List.

Methods of Procurement

- **Standard Purchase Orders:** This is the basic purchasing document for procurement of supplies and equipment for a one time purchase.
- **Confirming Purchase Orders:** This is a verbal purchase order number given out by the Purchasing and Contracts Office. This process is used for emergency orders. A hardcopy of the purchase order **will not** be mailed unless requested.
- **Blanket Purchase Orders:** Issued for multiple purchases from one vendor throughout the fiscal year. Vendor should invoice each time an order is placed against this blanket order and reference the Blanket Purchase Order Number on all invoices.
- **Procurement (Visa) Card:** University credit card provided to employees based on their need to purchase business-related goods.

Please be advised that it is the University's policy to purchase either on the basis of a written purchase order or an Edinboro University (Visa) credit card. In rare cases, where a critical situation exists and/or the purchase value exceeds the credit card dollar limit, the Purchasing and Contracts Office may issue a verbal purchase order. **These are the only authorized methods of purchase for the University.**

If you provide goods or services based on an unauthorized request, the University cannot guarantee payment of the resulting invoice. If you have any questions concerning the validity of a request for purchase from your business, please contact the Purchasing and Contracts Office at 814-7322704. Please know that the Purchasing and Contracts Office is available to answer your questions.

Procurement (Visa) Cards

Visa cards are available to University department cost center managers and their designees for procurement of business-related goods and supplies with a value of \$500 or less. The Visa card expedites purchases and eliminates the need to enter purchase requisitions into the SAP purchasing system. While employees may be reimbursed for incidental purchases up to \$500 on approval of their cost center manager, the Visa card system is the preferred method for relatively small purchases not requiring a purchase order. The guide for cardholders is shown in a subsequent section of this manual as well as the University's Purchasing Card Program Policy F017. Any employee who makes a direct purchase payment for goods and supplies of \$500 or more will not receive reimbursement for that purchase. Further, any employee who makes an unauthorized commitment with any outside source may be held personally liable by that vendor, performer, contractor, etc. Travel expenses are generally allowed only on cards issued to personnel who require frequent travel as part of their employment. Some goods and services are not permitted to be purchased by

procurement card and will be blocked at the purchase point. Radioactive materials, chemicals, hazardous materials, narcotics, animals, and any other controlled materials may **not** be purchased using a University Purchasing Card or personal credit card.

Purchase Orders: Terms and Conditions

This order is acceptable only at prices stated. Goods herein ordered shall comply with all Federal and State laws. No charges allowed for packing, reels, packages or cartage unless specified on this order. Shipment must be made by date specified. Materials will be received subject to inspection and if found defective or not in accordance with specifications will be returned at your expense. Quantities ordered must not be exceeded unless authority for small deviations is specified in this order. Truck deliveries will only be accepted during working hours. No tax shall be included in the bid price.

Edinboro University is exempt from all excise taxes imposed by the Internal Revenue Service, and has accordingly registered with the Internal Revenue service to make tax free purchases under registration No. 23740001-K. No exemption certificates are required and none will be issued.

Edinboro University is exempt from provisions of Fair Trade laws and the Pennsylvania Sales Tax. The Sales and Use Tax Regulations provide that exemption certificates are not required for sales made to government entities. Exemption certificates will not be issued.

Transportation charges must be prepaid except when noted. Receipted prepaid carrier bills shall be submitted with invoice.

Send itemized invoices in DUPLICATE as directed on order promptly upon shipment. Each purchase order should be invoiced separately. (Consider as one purchase order a consecutive series of purchase order forms bearing a single total).

Show purchase order number on all invoices, packages, delivery slips and correspondence. The name of shipper and car initials and number, if any, shall also be identified on all shipments.

Questions concerning the commodities on orders should be directed to the Edinboro University Office of Purchasing and Contracts. Any correspondence concerning invoices, or the payment of bills should be directed to the "Bill To" address.

Only Edinboro University's terms and conditions shall apply.

Bidding Standards

Bidding is done on the basis of the professional judgment of the Director of Purchasing and Contracts dependent upon an estimate of the savings which may be realized for the University. Written or oral bids may be solicited. For purchases up to \$10,000, an oral or written quotation may be solicited. For purchases over \$10,000, sealed bids are required by law and opened at a public bid opening. Public notice will be given for bids over \$10,000.

Payment Terms

The University's standard payment terms are Net 30 days.

Sales Tax

Edinboro University of Pennsylvania is exempt from Pennsylvania Sales Tax. If a vendor requires proof of the University's tax exempt status, please contact the Office of Purchasing and Contracts.

Edinboro University is exempt from all excise taxes imposed by the Internal Revenue Service.

Invoicing the University

All invoices must be sent to:

**Edinboro University of Pennsylvania
Accounts Payable Office
300 Scotland Road
Edinboro, PA 16444**

The purchase order number must be shown on all invoices, packages, delivery slips and correspondence. The name of the shipper and pertinent shipping information should be identified on all shipments.

Shipping to the University

All transportation charges must be prepaid unless special arrangements are made in advance. Most purchase orders will show the specific campus department and street address where deliveries must be made. Otherwise, the Earley Hall Facilities Receiving location may be found at

Earley Hall
Scotland Road
Edinboro University of Pennsylvania
Edinboro, PA 16444
8:00 a.m. - 3:30 p.m.
Closed: 12:00 p.m. - 1:00 p.m. and Holidays

Please note: All packing lists must reference the University's purchase order number so that purchase order and packing list may be traced to your invoice.

Assignment of Antitrust Claims

Vendor and Edinboro University recognize that in actual economic practice, overcharges by vendor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by Edinboro University. As part of the consideration for the award or contract, and intending to be legally bound, vendor assigns to Edinboro University all right, title and interest in and to any claims vendor now has or may hereafter acquire under state or federal antitrust laws relating to the goods or services which are subject of the contract.

Equal Opportunity Employer

Edinboro University, an equal opportunity employer, is committed to a policy of affirmative action.

Non-Discrimination Clause

During the term of the contract, Contractor agrees as follows:

1. Contractor shall not discriminate against any employee, applicant for employment, independent contractor, or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Contractor shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to: employment, upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Contractor shall post in conspicuous places, available to employees, agents, applicants for employment and other persons, a notice to be provided by the contracting agency setting forth the provision of this nondiscrimination clause.
2. Contractor shall, in advertisements or requests for employment placed by it or on its behalf; state that all qualified applications will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
3. Contractor shall send each labor union or worker's representative with which it has a collective bargaining agreement or other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this nondiscrimination clause. Similar notice shall be sent to every other source of recruitment regularly utilized by Contractor.
4. It shall be no defense to a finding of non-compliance with this nondiscrimination clause that Contractor had delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the Contractor was not on notice of the third-party discrimination or made a good faith effort to correct it, such factor shall be considered in mitigation in determining appropriate sanctions.
5. Where the practices of a union or any training program or other source of recruitment will result in the exclusion of minority group persons, so that Contractor will be unable to meet its obligations under this nondiscrimination clause. Contractor shall then employ and fill vacancies through other nondiscriminatory employment procedures.
6. Contractor shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of Contractor's noncompliance with the nondiscrimination clause of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and Contractor may be declared temporarily ineligible for further Edinboro University contracts, and other sanctions may be imposed and remedies invoked.
7. Contractor shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by Edinboro University and the Pennsylvania Office of Administration, Bureau of Affirmative Action, for purposes of investigation to ascertain compliance with the provisions of this clause. If Contractor does not possess documents or records reflecting the necessary information requested, it shall further furnish such information on reporting forms supplied by the contracting agency or the Bureau of Affirmative Action.
8. Contractor shall actively recruit minority subcontractors or subcontractors with substantial

minority representation among their employees.

9. Contractor shall include the provisions of this nondiscrimination clause in every subcontract so that such provisions will be binding upon each Subcontractor.
10. Contractor obligations under this clause are limited to the Contractor's facilities within Pennsylvania or, where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

Bid Protests

Notice as to Filing a Bid Protest

1. A bidder or offeror, a prospective bidder or offeror, or a prospective contractor, that is aggrieved in connection with the solicitation or award of a contract under the *Commonwealth Procurement Code*, except as provided in 62 Pa.C.S.A §521 (relating to cancellation of invitations for bids or requests for proposals) may file a protest with the Office of the Chancellor, State system of Higher Education, 2986 North Second Street, Harrisburg, Pennsylvania, 17110.
A copy of any protest must also be simultaneously mailed to the Office of the President of the University that issued the bid solicitation. In the event that the Educational Resources Group (ERG) issued the bid solicitation, a copy of the Protest should be filed with its President. No additional notification need be sent if the Office of the Chancellor issued the bid solicitation.
2. If the protestant is a bidder or offerer or a prospective contractor, the protest must be filed with the Office of the Chancellor at the aforementioned address within seven (7) days after the aggrieved bidder or offeror or prospective contractor knew or should have known of the facts giving rise to the protest. In no event may a protest be filed later than seven (7) days after the date the contract was awarded.
3. If the protestant is a prospective bidder or offeror, a protest must be filed with the Office of the Chancellor at the aforementioned address prior to the bid opening time or the proposal receipt date.
4. If a bidder or offeror, a prospective bidder or offeror, or a prospective contractor fails to file a Protest, or files an untimely protest, the bidder or offeror, the prospective bidder or offeror, or the prospective contractor will have waived its right to protest the solicitation or award of the contract in any forum. The State System of Higher Education shall disregard protests that are untimely filed.
5. A protest must state all grounds upon which the protestant asserts the solicitation or award of the contract was improper. The protestant may submit with the protest any documents or information it deems relevant to the protest.
6. Upon receipt of the protest, the Office of the Chancellor will render a decision in accordance With the procedures outlined within the *Commonwealth Procurement Code*, 62 Pa.C.S.A §1711.1 *et seq.*

INFORMATION FOR UNIVERSITY DEPARTMENTS

DEFINITIONS

The following are some of the abbreviations and definitions that will be used throughout the manual.

UNIT Refers to a Department, Office, Cost Center

PR Purchase Requisition

PO Purchase order

REQUESTOR The Department preparing a PR

SPC Service Purchase Contract

CCM Cost Center Manager

FIXED ASSET An item that exceeds \$5000 in value and has an estimated useful life in excess of two years.

BT Budget Transfer

LEGAL Indicates required approvals by University legal office , the Attorney General of the Commonwealth.and the Office of General Counsel

DGS Pennsylvania Department of General Services

L & I Pennsylvania Department of Labor and Industry

BIDDING REQUIREMENTS

It is the policy of the university that all purchases will be made in a manner that will maximize the value received for the amount expended. Therefore, competitive bids will be solicited in accordance with the following:

1. Costs for a single item or a related series of items and for services with a dollar value **less than \$10,000** will not require competitive bidding. However, in order to obtain the best possible price, the Purchasing staff may obtain competitive bids, at the determination of the Director of Purchasing. Bids may be obtained by telephone, fax or in writing. Serial purchases to avoid the dollar ceiling will not be allowed.

2. **All goods and services greater than or equal to \$10,000 must be bid.**

Exceptions to competitive bidding:

If a vendor is on State Contract the bidding process is waived. A list of State Contracts can be found on the Pennsylvania Dept. of General Services website: <http://www.dgs.state.pa.us>

Enter the web site, click on “procurement information” then click on “view statewide contracts”. If you know the contract number you may enter the number. If you do not know the number you may enter the type of item you are searching for. For example, if you are interested in purchasing furniture, enter furniture in the contract description box. A list of contracts will be displayed.

Proprietary Orders: (Sole Source & No Substitutes)

The policy of competitive bidding restricts the solicitation of proprietary goods and services. Generally, claims by departments of proprietary goods, sole source provisions, and “no substitutes” requests may be challenged by the Office of Purchasing and Contracts and may be rejected. Proprietary procurement may be allowed if it is necessary to acquire a specific brand to replace components of an existing machine. This will require a written justification with a rational explanation, and purchasing will seek legal counsel review before it accepts the justification. Otherwise, purchasing will assist departments in locating other sources.

PROCESSING REQUISITIONS FOR PURCHASE ORDERS

Any tangible product is considered to be a commodity and is acquired with a Purchase Order. When ordering such items, a Purchase Requisition must be completed and entered into the SAP financial system. The following information should be completed when entering the data into the computer. **All requisitions for the purchase of goods or services should be entered by the requesting department.**

- Name, complete address of suggested vendor, if known. If not known, indicate that sourcing or bids are required.
- Department name and delivery address including room # and contact name.
- Indicate when needed if that date is important.
- Complete description of the items (catalog number size, color, etc.) or service. Include either on the requisition or attachment any unusual or special comments or instructions.
- Quantity needed (each, dozen, pound, package, etc).
- Unit cost of item and total cost.
- Cost Center of the Department to be charged.
- Shipping and handling costs should be added to the PR. By including these costs, even if they are estimates, the encumbrance reports and final expenses to your account will be more accurate.

Copies of any preliminary correspondence, specifications, or any other pertinent information should be maintained by the department. Any information critical to the purchase should be faxed or sent to the Office of Purchasing and Contracts with the requisition number clearly indicated.

The Purchase Requisition will be automatically checked for budget as it is entered by the department in SAP. If funds are available, the requisition will then proceed through the SAP online approval process. If funds are not immediately available, a budget transfer must be completed by the requesting department before the requisition can move forward. When all approvals have been obtained, the requisition will be reviewed by the Office of Purchasing and Contracts and a bid, purchase order or contract will be initiated.

Responsibility Of The Cost Center Budget Manager

1. Anyone in the department trained in SAP requisitions can enter a Purchase Requisition. However, the PR will not be valid until the department cost center manager or his/her designee has approved the transaction; the department manager may delegate this authority to another member of the department. PR's should only be prepared when the department manager verifies that there are available funds to support the purchase.
2. The department secretary or other authorized designee may enter the PR into the SAP financial system for processing. Should the budget have insufficient funds, a budget transfer must also be made in SAP. In either case, the cost center manager must approve the transaction in SAP in order to complete the transaction for processing by the Office of Purchasing and Contracts. Depending on dollar amount, additional PR approvals may be required in SAP, including the Dean, Associate Vice President, Provost, Vice President, Grants accountant, etc.
3. For the Office of Purchasing and Contracts to function effectively, the department must provide a complete and accurate description of the goods or services being requisitioned. If the list of supplies or equipment is too long or complex to type on the requisition, make a separate list on a plain paper and

type in the body of the requisition "See attached list of supplies or equipment." Any separate lists should be sent to the Office of Purchasing and Contracts with the PR number indicated.

4. The requisition submitted must allow the Office of Purchasing and Contracts sufficient time for processing, bidding, legal review and approval if required, plus delivery of the goods.
5. In the case of emergencies contact the Director of Purchasing and Contracts for assistance. No verbal orders should be made by departments.
6. If the funding for the request is external (grants, contracts, etc.) the cost center budget manager must ensure the request is consistent with the conditions of the grant or contract. The Accounting Office (732-2725) can provide further assistance on the procedure for spending grant funds.

PURCHASE ORDERS

After a requisition is entered and approved in SAP, the Office of Purchasing and Contracts will prepare and issue a purchase order. The purchase order is the legal contract by which goods are procured. It gives the vendor the authority to ship and invoice for the goods specified on the order and becomes a contract binding to both parties.

A copy of the purchase order is faxed or mailed to the vendor. One copy is sent to the requestor to be used as the receiving report. Once goods are received the requestor will sign verifying the goods were received and send a copy of the purchase order indicating receipt of goods to the Accounts Payable Office. In the event a partial shipment, the requestor should make a copy of purchase order, document the items received and send it to Accounts Payable.

Prompt submittal of the receiving report is necessary to ensure that timely and accurate payments can be processed to university suppliers. Interest charges incurred for late payment to vendors, as a result of delay, will be charged to the unit's budget.

The Accounts Payable Office will notify the cost center manager when an invoice exceeds the encumbrance by more than 10% (exclusive of shipping costs). The cost center budget manager must take prompt action to transfer funds if needed, since any interest penalties incurred as a result of delay will be charged to the department.

Canceling or Modifying a Purchase Order

When it is deemed necessary to alter an open purchase order, contact the Office of Purchasing and Contracts immediately. Normally most changes are of a minor nature and can be made without any question or penalties being demanded by the vendor. It should be noted that such changes do require informing the vendor.

The cancellation of an open purchase order without just cause constitutes the breaking of a contract and requires the supplier's approval. If the supplier has incurred expenses regarding that order prior to the cancellation, a settlement for non-recoverable costs may be due to the supplier.

Any changes to a purchase order must be incorporated into the order by a "change order" initiated by the Office of Purchasing and Contracts. The changes should be confirmed in writing, justifying the reasons for the change.

SERVICE PURCHASE CONTRACT (SPC)

A Service Purchase Contract must be completed by Purchasing and Contracts when a department is contracting for “services.” Services are considered to be an intangible product such as speakers, honorariums, consultants, repairs or maintenance to equipment etc.

To initiate an SPC, an electronic purchase requisition must be entered in SAP, using the process outlined above for purchase orders. The requisition must contain **DETAILED** information pertaining to the service being requested. (Dept. Name, Cost Center, Vendor name, Address, Phone #, SSN or Fed. ID #, contact person, cost of the service, schedule of payment(s) and a detailed description about the service to be provided). The requisition must be approved in SAP by the cost center budget manager or his/her designee and others, depending on dollar amount of purchase.

All SPC's greater than or equal to \$5,000 will require university legal counsel review and approval after being signed by the Contractor and the University.

All SPC's **\$5,000 and over** must be approved by University Legal staff which may take up to **one week**. SPC's greater than or equal to **\$20,000** require approval of the Commonwealth Attorney General's Office which could take **up to 4 weeks**. **Very large contracts also require the approval of the Office of General Counsel, which requires an additional period of time.**

Legal approvals are in addition to the advertising and bidding time, contract negotiation and signature process; all contracts and purchases with a value of **\$10,000 or more must be competitively bid**. The bidding process could take 4-6 weeks. Please plan ahead.

No commitments of any kind may be made prior to receiving legal approval. **After-the-fact requests and/or transactions will not be accepted; University Legal Counsel and the Attorney General will not approve after-the-fact purchases or contracts.**

SIGNATURE REQUIREMENTS

AUTHORITY

The President alone has the authority to sign contracts that bind the University, unless the President delegates this authority, in writing, to third parties. **No one outside of the written delegates may legally sign contracts involving the University. Anyone who does so is acting outside the scope of his or her employment and may be held personally responsible for the purchase**

These designations are made pursuant to Act 57 of 1998 and the Board of Governors Policy 1998-04. If you should have any questions regarding this or require assistance in any matter which will necessitate the preparation of a contract, please feel free to contact the Director of Purchasing and Contracts.

All purchases are to be made by the Office of Purchasing and Contracts, and that office is the sole point for issuance of bids and purchase orders. Employees making contractual obligations, real or implied, with any outside source may be held monetarily liable for their actions. Further, any employee who makes an unauthorized commitment with any outside source may be held personally liable by that vendor, performer, contractor, etc.

Under Pennsylvania Law, Act 188, the President and Council of Trustees have been empowered to make all necessary purchases to conduct the daily operations of the university. The President has delegated the purchasing responsibility to the Vice President of Finance and Administration. In turn, functional authority has been vested with the Office of Purchasing and Contracts. Therefore, in the interest of maintaining good purchasing practices, all purchase orders, contracts and bids are administered by the Office of Purchasing and Contracts.

Approval of Purchase Requisitions

All Purchase Requisitions must be approved in SAP by the budget manager of the cost center being charged. Cost center budget managers may delegate approval authority; It is the responsibility of the cost center budget manager to monitor the approval process. . The SAP financial system will restrict input and approval of PR's to only those individuals given access to assigned budgets and approval authority over those funds.

OTHER PURCHASING SERVICES, POLICIES AND MISCELLANEOUS INFORMATION

ACCOUNTS PAYABLE

All invoices received by departments should be sent to the Accounts Payable Department immediately so as to avoid finance charges. The university is not exempt from paying finance charges for late or incorrect payment of invoices. It is important to meet the terms and conditions of payment required by vendors. The Office of Purchasing and Contracts can reject terms or conditions stipulated by vendors that cannot reasonably be fulfilled

ADVERSE INTEREST LAW

The Adverse Interest Law prohibits any current Commonwealth employee (including PASSHE employees) from contracting with the university or being an employee, stockholder, director or agent of any entity contracting with the university. Nevertheless, employee may enter into a contract with the university and/or be employed by a contractor if the contracting employee and/or the employed person is not on the university payroll during the contract period. Contact the Office of Human Resources and Faculty Relations for details if you are considering such work.

AFFIRMATIVE ACTION –

WOMEN, MINORITY, SMALL AND DISADVANTAGED BUSINESS ENTERPRISES

The Office of Purchasing and Contracts will comply with bidding procedures that are required by affirmative action laws. . The University encourages the use of women-owned, minority and small or disadvantaged business firms. Vendors are encouraged to obtain minority or women-owned business certifications. Contact the Office of Purchasing and Contracts for details.

ALCOHOLIC BEVERAGES

Alcoholic beverages may not be purchased with public funds.

ANIMALS

The purchase of animals for use in research or in teaching should be consistent with the National Institutes of Health grant guideline to avoid cruelty to the animals.

BOOKSTORE PURCHASES

Departments who wish to purchase items sold in the Campus Bookstore for use by the department may use the University Purchasing Card or process a Purchase Requisition.

BUDGET TRANSFER If there are insufficient funds to cover the value of a requisition, the cost center manager must process a budget transfer before the requisition will be completed. If assistance is needed, contact the Budget Office at 732-2870.

OFFICE SUPPLIES

The University has a contract with a national supplier of office supplies which maximizes the discounts available for standard purchases. Each department has been set up to order supplies online for direct delivery to the department. Contact your department secretary or the Office of Purchasing and Contracts for additional information.

COMPUTER PURCHASES

The University has a contract in place with a regional supplier for computers, printers and software, including installation of hardware. Information on current systems is available on the internet. Contact the Office of Purchasing and Contracts for current supplier information. Purchases are initiated by the use of a Purchase Requisition. Requisitions will be processed in accordance with standard purchase order procedures.

CODE OF ETHICS

The Office of Purchasing and Contracts operates under the Code of Ethics defined by the Office of the Chancellor, which includes, in part, placing first priority on the objectives and policies of the University, obtaining maximum value for expenditure of funds, fair, honest and equitable treatment of all suppliers, declining personal gifts or gratuities, and fair, ethical and legal trade practices.

CONSULTANTS

Consultant contracts are those that provide services not generally available from employees of the university. The services provided are usually of a "one-time" nature and results or outcomes of the work to be performed may not be known in advance since they usually result in a report conveying advice or recommendations to meet university objectives. (i.e. performers and speakers are not consultants.)

Consultants are subject to specific regulations under the provisions of Act 188 and Board of Governors Policy. Upon receipt of a requisition, the Office of Purchasing and Contracts will prepare a consultant contract for signature by consulting firm/person with instruction that the signed contract be returned to the Office of Purchasing and Contracts for further legal review and signatures.

EMERGENCY PURCHASES

The Office of Purchasing and Contracts recognizes the fact that on occasion an emergency or rush purchase for goods or services and contracts is needed. . To facilitate this occurrence, a written policy exists in the case of emergency construction repair work which requires the department to follow the policy.

In cases other than maintenance, repairs and emergency construction projects, a purchase order number will be given to department budget manager. The manager will need to explain the emergency and have facts and figures on-hand, vendor's estimated price and verification of funds availability. If determined to be appropriate, a verbal purchase order may be issued by the Director of Purchasing. Prompt submission of an approved purchase requisition is essential so that payment can be made to the vendor. Emergency purchases orders will not be given for routine goods or service purchases. Proper planning eliminates many rush transactions. Real emergencies will be handled as expeditiously as possible.

EMPLOYER/EMPLOYEE & INDEPENDENT CONTRACTOR RELATIONSHIPS

The Internal Revenue Service (IRS) has indicated an interest in employers' contracting practices. The IRS

discourages the treatment of employees as contractors in an effort to bypass employment regulations, social security, tax withholding, etc.

An individual is considered an employee when they are subject to control by the employer as to when, where and how they work. According to the IRS, the employer need not actually exercise the control; it is sufficient that the employer have the right to do so. For further detail on this subject, please contact the Office of Human Resources and Faculty Relations or the Office of Purchasing and Contracts.

GRANTS (RESTRICTED FUNDS)

Grant funds are limited to a specific project or purpose under the category of "restricted funds." The use of this public fund does not relieve the university from legally mandated competitive bidding requirements. The State Attorney General's Office has interpreted PASSHE's enabling legislation as not recognizing or accepting any proprietary, exclusive, or sole source award for purchase orders or contracts based on grant funding. Accordingly, requests for consultants, food service, conference facilities, or other goods or services that exceed prescribed dollar limits must be publicly bid by the Office of Purchasing and Contracts. Do not assume that because grant funding has been obtained, the competitive bid process can be overlooked.

Therefore, all grant purchases made and/or authorized by the Project Director or principal investigator shall be made through the Office of Purchasing and Contracts in accordance with established policies and procedures. Please contact the Grants Office or the Office of Purchasing and Contracts for more information.

GRAPHIC DESIGN/PRINTING

All requests for graphic design or printing of books, brochures, flyers, posters, business cards, stationery and virtually all types of publications and printing matter must be referred to the University Publications Office for review prior to printing or publication. No "outside" printing requests will be processed by the Office of Purchasing and Contracts unless approved by the Publications Department.

INSURANCE

Under Pennsylvania Law, the Department of General Services has sole authority to purchase insurance contracts. Consequently, no employee of the university should sign an agreement with an insurance carrier. Questions on insurance coverage may be referred to the Office of the Controller or the Bureau of Risk and Insurance Management.

LEASING EQUIPMENT OR VEHICLES

Equipment or vehicles that are leased will be covered by a formal purchase order or contract. In the case of leased equipment, the department concerned must clearly mark the requisition "leased equipment" and specify or attach the lease document with the requisition. Leases are a type of contract and must have legal review prior to signature. Prior to accepting lease agreements as submitted by the requisitioning department, the Office of Purchasing and Contracts should be consulted to review the lease terms and to determine the economic soundness of whether the goods should be leased or purchased.

PERSONAL PURCHASES

Because of the tax-exempt status of the university, the Office of Purchasing and Contracts cannot issue purchase orders for personal purchases. The Office of Purchasing and Contracts will be happy to suggest possible sources that may offer educational discounts. Vendors are under no obligation to offer discounts to individuals. Their offer does not place the Office of Purchasing and Contracts under any obligation to do business with them.

PUBLIC FUNDS

Public funds are those dollars that are spent from university departmental accounts. These dollars are products of public taxes, student fees and university revenues and as a result must be used with great care. Funds from grants or contracts with the Federal or State governments are also considered public funds. As a general rule, public funds may be used for necessary costs involved in carrying out the university's programs. Therefore, public funds cannot be used to purchase personal items.

PREPAYMENT OF PURCHASES

Sometimes it is necessary to make prepayment for items or send the payment with the purchase order. This is true for U.S. Government documents from the Superintendent of Documents and for other purchases such as membership fees, registration fees, professional fees and subscriptions. In such cases you must submit on the Purchase Requisition the description of item required, price, catalog number (if applicable), and the exact name and address of the supplier. Please indicate "Prepayment" and also attach any supporting evidence such as renewal forms or invoices.

RADIOACTIVE MATERIALS

All Expenditure Requests for radioactive materials, including equipment with sealed sources must be approved by the Radiation Safety Officer. Purchase Requisitions will not be processed by the Office of Purchasing and Contracts without signed and dated approval from the Radiation Safety Officer. All orders for radioactive materials must be placed by the Office of Purchasing and Contracts. Direct purchases of radioactive materials through a vendor are not permitted. Radioactive materials shall not be purchased with a University Purchasing Card or personal credit card. Purchase Requisitions shall include the Name and contact information for the Radiation Safety Officer and the specific delivery address. The Radiation Safety Officer shall coordinate delivery with the vendor. Radioactive materials shall not be delivered to, or signed for by the University Receiving Department. Radioactive materials shall be delivered to, and signed for by the Radiation Safety Officer only.

RECIPROCAL LIMITATIONS ACT

The Commonwealth of Pennsylvania has a Reciprocal Limitations Act that imposes procurement restrictions against those states which have imposed restrictions against purchases from our state, or other states. For example, if a state prohibits the purchase of a specific product from any other state, Pennsylvania will prohibit the purchase of that same item from the state which imposes such restrictions. If a state gives its in-state vendors a preferred status (e.g. bid percentage allowance), Pennsylvania will reciprocate with a similar limitation against that state's bidders. For most bids, suppliers are required to indicate the state of manufacture of particular items being purchased.

RECYCLED PRODUCTS

The Office of Purchasing and Contracts actively pursues the evaluation and acquisition of feasible recycled products for campus-wide use in compliance with Commonwealth policy. The Office of Purchasing and Contracts must insure compliance with prevailing regulations regarding recycled content of designated products, and will notify departments whenever their requisitions must be modified to satisfy such requirements.

RFP--REQUEST FOR PROPOSAL

The Request for Proposal process is used for more complex bids (typically for services) that require evaluation based on qualifications other than cost, or a combination of cost and quality of services. Contact the Office of Purchasing and Contracts for procedures used for RFP's.

SOURCE OF SUPPLY SELECTION

Only reputable suppliers will be utilized as sources of supply for the university's needs. Vendors are

evaluated on responsiveness, courtesy, technical competence, reliability and ethics. The following list can provide sources for prospective suppliers:

- National Directory of Address and Telephone Numbers
- Regional Industrial Purchasing Guide
- Industry Associations
- Trade Associations
- Professional Associations
- Classified Telephone Directories
- Internet web sites
- Trade and product shows
- Manufacturers' Catalogs and Sales literature
- Marketing representatives
- Periodicals/Magazines
- Commonwealth Certified Minority & Woman Business Enterprise listing
- National Minority Business Directory

SURPLUS PROPERTY

The Facilities Office is solely responsible for the effective disposition of all inventory surplus property. Whenever a department has surplus equipment, material or supplies to dispose of, the department manager should contact the Facilities Office at 732-2826.

No credit is given to a department for any item declared to be surplus and no charge is made to a department receiving transferred surplus property. If, after investigation, there is found to be no other department interested in the property, it is disposed of in accordance with Commonwealth law. Surplus materials are sold at public sale (auction) A time, place, and location will be advertised prior to when the public sale will be held.

The State Adverse Interest Law **prohibits the sale of surplus property to any University employee.**

TAXES

The university is exempt from all Pennsylvania sales tax except lodging. However, any contractor doing business with the university remains liable for the payment of sales and use tax on all materials and fixtures he/she purchases or uses for the purpose of fulfilling his/her contract, even though the work is being performed for a governmental instrumentality. University tax exemption certificates cannot be provided to contractors or sub-contractors.

PURCHASING CARD POLICIES AND PROCEDURES
GUIDE FOR CARDHOLDERS

Participation in the Edinboro University VISA Purchasing Card Program is a convenience that carries responsibilities for its use. Although the card is issued in the employee's name, it should be considered Commonwealth or University property and should be used in good judgment in accordance with its applicable activity limits.

1. The VISA Purchasing Card is provided to employees based on their need to purchase business-related goods and services. A card may be revoked at any time by the University based on change of assignment or location or for any reason. The card is not an entitlement nor reflective of title or position.
2. **The card is for University-related purchases only; personal charges are not to be made to the card.**
3. The cardholder and authorized (written) designee are the only persons authorized to use the card and are responsible for ensuring that all purchases with the card are for University use. The cardholder should keep the card in a safe place to prevent fraudulent use. Cardholders must examine all receipts for accuracy before signing them and shall keep a copy of all receipts and send all original receipts to the Accounting Office at the end of each month.
4. Cardholders shall not make purchases in excess of the monthly spending limit and shall not exceed the department's annual operating budget.
5. Improper use of the card can be considered misappropriation of Commonwealth funds which may result in disciplinary action, up to and including termination.
6. All charges are billed directly to and paid by the University. Any personal charges on the card could be considered misappropriation of Commonwealth funds since the cardholder cannot pay the bank directly.
7. Cardholders are expected to comply with internal control procedures in order to protect University assets. This includes keeping receipts, reconciling VISA Purchasing Card monthly memo statements, and following proper security measures.
8. Cardholders are responsible for reconciling their VISA Purchasing Card monthly memo statement and resolving any discrepancies by contacting the supplier and the University's Accounting Office.
9. Each VISA Purchasing Card is assigned a cost accounting code (Org#) by management; purchases may be automatically charged to that code. Only management can change the code. If changed, a new accounting code does not affect past charges, only future charges.
10. **A lost or stolen VISA Purchasing Card should be reported immediately by telephone to the bank's Commercial Card Customer Service at 800-270-7760 and the University's Accounting Office at 732-2725.** After notice, in accordance with Regulation Z, cardholder liability for unauthorized use of the card shall not exceed the lesser of \$50 or the amount to which the unauthorized use pertains. Unauthorized use under Regulation Z means the use of a credit card by a person, other than the cardholder or an authorized designee, who does not have actual, implied, or apparent authority for such use, and from which the cardholder receives no benefit.
11. A cardholder must surrender the card upon termination of employment (i.e. retirement or voluntary/involuntary separation) or at any time either the University or the Bank requests. At this point, no further use of the VISA Purchasing Card account is authorized.

This Acceptance Agreement contains the entire agreement with respect to the subject matter hereof. It is the intention of the Employee (cardholder) to be legally bound by the terms and obligations in this agreement and further, the Employee (cardholder) has read and understood the terms listed herein.