Purchasing Manual

Keene State College Policies and Procedures

Purchasing Manual

Section Menu

1.0 Purchasing Department Mission

The Keene State College Purchasing Office, under the guidance of the University System of New Hampshire Board of Trustees policies and procedures, seeks the development and implementation of effective and ethical procurement practices, principals and techniques, through continuing education, publication and networking opportunities, resulting in the timely procurement of quality goods and services for the College.

1.1 Introductory Letter from the Purchasing Office

The Purchasing Office attempts to serve you in a professional and expeditious manner. From time to time we may offer possible alternatives to items you have requested, or suggest how the cost of doing business may be minimized. The Purchasing Office exists to research products, services, vendor qualifications and usage to develop contracts for you. We mediate disputes with vendors, expedite orders, dispose of surplus items, file claims, seek legal advice and serve you in many other ways.

Centralized purchasing exists to save money and ensure conformance to generally accepted business principles, USNH Purchasing rules and regulations, and public law. The Keene State College Purchasing Office operates under the University System of New Hampshire guidelines, as established by the USNH Board of Trustees. The Purchasing Office reports directly to the Associate Vice-President for Finance and Planning. We subscribe to the National Association of Educational Buyers and as such, have adopted their Code of Ethics. (See EXHIBIT A) Our group meets regularly to solve problems and discuss methods to improve our performance.

It is our hope that this manual will answer common purchasing questions and enable all departments to buy goods and services in a timely manner. As policies change, the Purchasing Office will distribute updates to each department for inclusion in this text.

The Purchasing Office is located in Fiske Annex on Winchester Street. Office hours are from 8:00 AM - 4:30 PM, and we are willing and available to discuss your requests for purchases with you throughout the business day. You may reach us by phone at 603-358-2493.

We ask you for your cooperation and advance planning in order to better serve you.

1.2 Advantages OF Centralized Purchasing

Purchasing is a vital part of the College's operation. In this section and others, there will be some general statements quoted from the College and University Business Administration, National Association of College and University Business Officers (NACUBO); 1974.

Some of the significant advantages of centralized purchasing are:

1. Definite economies resulting from the pooling and integrated overall planning of the common requirements of various departments.
2. Development of standard specifications for the common commodities purchased, resulting in more uniform quality and less variety of materials, supplies and equipment.
3. Better budgetary and financial control of departments' expenditures.
4. Development of qualified personnel through specialization in purchasing.
5. Reduction in administrative costs through elimination of multiple purchasing staffs, records and procedures.
6. Reduction in inventories because of closer supervision regarding the quantity of materials on each purchase order and greater utilization of the available supply of materials through transfers and substitutions.
7. Prompt delivery and better service by suppliers, resulting from more careful selection and better follow-up systems.

8. Benefits of competition, as a result of improved market studies and other research.
9. Better public relations, as a result of consistent and equitable treatment of vendors. (NACUBO)

2.0 Function

The current scope of duties performed by the KSC Purchasing Office include the following:

1. Prepare, with the cooperation of user departments, delivery schedules, quality and quantity specifications for items and services to be purchased.
2. Provide user departments with current information on new products and services, alternative materials and costs.
3. Encourage competition among vendors through negotiation, competitive bidding and contract buying.
4. Insure that purchase orders and contracts contain all necessary conditions, such as guarantees, warranties, governmental regulations, shipping instructions, free on board points (f.o.b.), credit terms and discounts.
5. Develop records as needed to determine requirements of the institution for supplies, services and equipment.
6. Arrange for control and disposal of surplus equipment and supplies, salvage and scrap.
7. Explore and use possible advantages of inter-university, consortia, or cooperative purchasing programs. (NACUBO)

3.0 General Purchasing Procedures

3.1 Overview

3.1.1 State Law

The following is an excerpt taken from the New Hampshire State Law:

RSA21-I:18. The University System shall make purchases under competitive bidding requirements except when waived by the Chancellor of the University System or his authorized agent upon written justification.

3.1.2 Liability for Unauthorized Purchases

If any purchase is made without an order in the prescribed forms of the purchasing Office or not within the policy of the University, the individual member of the staff placing such an order will assume personal liability for the payment of the invoice.

3.2 Bid Guidelines

3.2.1 General Bidding Guidelines

The Purchasing Office will bid out any/all items, at any dollar level, that Users request. The Purchasing Office reserves the right to bid out any requests, at any dollar level, if it is deemed to be in the best interests of the Institution.

Listed below are the bidding guidelines for ordering goods and/or services.

DOLLAR AMOUNTS TO PROCESS, ACTION REQUIRED AND LENGTH OF TIME.

$0.00 - $3,000.00 - Paperwork to Purchasing. - 24 Hours

$3,000.00 - $5,000.00 - One (1) written quotation from proposed supplier must be approved by the KSC Purchasing Office BEFORE the request is processed. - 24 Hours

$5,000.00 - $10,000.00 - Three (3) competitive quotes are required. The quotes can be faxed or mailed. They must be approved by the KSC Purchasing Office BEFORE the request can be processed. - 24 Hours

$10,000.00 and up - KSC Purchasing will process formal written bids. Detailed specifications must be forwarded to Purchasing. Once received, a formal bid package will be prepared and processed. - 10-30 Working Days (the length of time depends upon the complexity of the bid)

Complete, detailed specifications are required on all bids

Submission of clear, concise specifications, prompt responses to the Purchasing Office inquiries and a properly authorized Banner requisition will facilitate the ordering process. Once the competitive quotation/bid process has been completed, the awards are usually made to those vendors supplying acceptable goods at the lowest overall cost.

When the equipment has a unit cost of $5,000.00 or more, an equipment authorization form (Form D) must be completed and signed by the Dean/Director, the department's Vice-President and the President before the Purchasing Office can place an order with the winning vendor. Any/all computer or audio visual equipment must have a Form D completed and signed by the IT Department regardless of the unit cost. (See Form D Instructions (6.3)).

3.2.2 Bid Exceptions

All exceptions to bid, including single sourcing, MUST be formally requested in writing. The exception to bid form can be accessed from the Purchasing Web site.

They must also be:

1. Approved by KSC Purchasing
2. Approved by the USNH Purchasing Director.

All legitimate bid exception requests will be reviewed and evaluated in a timely manner. Please plan on at least three (3) week's processing time after KSC Purchasing has received the request. Some examples of bid exceptions are: Public Service of NH, Nynex, AT & T, City of Keene and Time Warner Cable.

3.2.3 Paper Flow

The following is the order and flow of paperwork for bid guidelines:

1. Bid specifications sent to KSC purchasing.

2. KSC Purchasing processes the bids: Bid summaries sent to User within 3 days after bid opening.
   USNH Purchasing processes the bids: Bid summaries sent to KSC within 3 days after bid opening.
   KSC purchasing will send copies to user after the summaries are received.
3. User reviews bid summaries.
4. User enters requisition in Banner to the vendor who won the bid.
5. Formal bid exception procedures are required, should the USNH or KSC Purchasing Offices' recommendations not be accepted by the user.

3.2.4 Contracts

KSC authorizations are between $1.00 and $75,000.00. USNH authorizations are above $75,000.00.

All contracts must be based upon bids prepared, submitted and reviewed by the Purchasing Office. All contracts must be based upon bid documentation. The list of Campus Contracts represent those agreements where favorable pricing is provided through **MANDATORY** use. The Campus Contract list can be found at: http://www.keene.edu/purchasing/approved.cfm

3.2.5 Timing

The implementation of the bidding contracts for 07/01/FY are as follows:

1. KSC = specification to Purchasing 02/01/YR.
2. USNH = specifications to USNH 02/01/YR.
3. BOT = Board of Trustees - at least 1 month prior to signing.

All contracts must have bid documentation, proper evaluation, and recommendations before they can be prepared for authorized signatures.

Renewals of all contracts must follow the above procedures. Yearly vendor evaluations and all proposed changes (additions or deletions to contracts) must accompany renewal requests.

Specific Commodity Guidelines

The following is a list of specific guidelines for renovations and construction.

3.2.6 Construction

All requests for Campus Construction Projects must have the written approval of the budget Unit Director, the Divisional Vice-President, the Director of Physical Plant and the President before the Purchasing Office can begin processing the paperwork.

3.2.7 Fiscal Year - Purchasing Guidelines

July - All FY contracts signed - Standing Orders effective. All 1st semester departmental equipment requirements to Purchasing.

August - All departmental bulk orders, (i.e. office supplies, small equipment, etc.)

Fall Semester needs to Purchasing.

October - 2nd semester construction specifications & next FY construction priorities established.

November - 2nd semester departmental needs to Purchasing. Next FY construction consultant’s agreements in process.

All 2nd semester equipment needs to Purchasing.

January - Mid year budget review.

February - All contract renewal/new - Documentation to Purchasing. All construction specifications for next FY to Purchasing - (02/01/YR).

All next FY furniture/carpet/drapes/renovations to Purchasing - (02/01/YR).

March - Department input to campus-wide services, supplies/follow-up contract requirements.

All current FY equipment specifications to Purchasing - (03/31/YR).

April - Contract renewals in process. Contract bids in process.

May - All contracts in final stages of processing. Current FY close-out begins.

USNH equipment cut-off - (05/YR).

June - USNH supply cut-off - (06/YR).

Contracts approved - processed for 07/01/YR start-up. End of current FY close-out.

USNH Trustee’s approval of next FY budgets.

3.3 Electronic Requisitions

3.3.1 Requisition Procedures

The Banner requisition is the document used to request the purchase of goods or services. Instructions for entering the Banner requisition are in the Banner Manual. To eliminate the possibility of error and to ensure that you receive the correct items, requisitions MUST have complete and full information. Clear and concise specifications and information will expedite the ordering, receiving and invoicing processes. Avoid using abbreviations, as this can cause confusion and result in receiving the wrong items. If the description is too long for the commodity line, go to OPTIONS, click on ITEM TEXT, do a NEXT BLOCK and continue the description of the item that is being purchased. Do not use commodity lines with $0 as they can not be processed in Banner.

Once all the description has been entered, save the information and exit back to the commodity section of the requisition. If a department should wish to check the status of a requisition and knows the number, they can go to FOIDOCH, type REQ, tab, type the number, NEXT BLOCK and it will show the status. Departments will also see if a purchase order has been issued, an invoice has been paid and a check has been processed.

3.3.2 Quoted Prices From Supplier

Any time you have a price or verbal quote from a supplier, it must be

forwarded to the KSC Purchasing Office.

3.4 Purchase Orders

3.4.1 Purchase Order Procedure

Purchase Orders are assigned to requisitions once the requisition has gone through the approval process. The only copy of a purchase order that is printed is the vendor copy. There are, however, some exceptions when a department will pick up the purchase order in the Purchasing Office. These exceptions are:

- Athen’s Pizza
- Domino’s Pizza
- Hannaford Bros. Supermarket
- Jack’s True Value
- Pizza Hut
- Pizza Pie
- Shaw’s Supermarket

The department that initiates the requisition will be notified when the purchase order is ready and can pick up the vendor copy in the Purchasing Office. If the order is for another area, it is the responsibility of the department expending funds to send a copy to the ordering department.

3.4.2 Emergency Purchases

Under normal circumstances the Purchasing Office processes all documents within a 48 hour turn-around time. If a department has an emergency order, we will issue a confirming number over the phone. When this is done we require that the paperwork be in the Purchasing Office within 48 hours.

Although emergencies sometimes occur through failure of equipment or needs that cannot be anticipated, frequent emergency or confirmation orders may indicate poor planning, coordination and organization. CORRECTIVE

MEASURES MUST BE TAKEN BY THE ORDERING DEPARTMENT TO REDUCE FREQUENT OCCURRENCES OF EMERGENCIES.

3.4.3 Authorizations

The Purchsing Office is the only office authorized to commit USNH funds for goods or services using a purchase order or through the issuing of the college PCard. The exception to this is the purchase of real estate, investments and insurance, which require the signatures of the Vice-President, President and Treasurer. Do not order goods or services from any off-campus source without first obtaining an authorized purchase order or using a College approved PCard. Departments prepare the Requisition, and the Purchasing Office will be responsible for preparing, printing, signing the Purchase Order and sending it to the vendor.

Remember: A requisition is not to be used for ordering goods and services. Only a purchase order or PCard does this.

All purchases for a grant must have the approval of the project director.

All equipment purchases for a department must have the approval of the Dean/Director, Vice-President for that area and the President. A signed equipment authorization form must accompany the request. Any item that has a unit cost of $5,000.00 or more is considered equipment with the exception of software. (See Form D instructions (6.3))

3.5 Standing Orders

Keene State College has been authorized by the University System of New Hampshire Purchasing Office to issue Standing Purchase Orders.

All Standing Orders have a maximum limit of $5,000.00 unless it is a current KSC contracted Vendor. Standing Orders should be requested if your department plans to use the vendor frequently during the year. An individual item that costs over $1,000.00 or has a life of two (2) or more years cannot be purchased against a Standing Order.

Departments request Standing Orders by typing the word “Standing” in the

comments section of the requisition.

Type the purpose of the standing order in the commodity line, i.e., Catering Services for FY ‘XX. In Item text, type the name(s) of the person(s) who will have authority to order goods/services against the standing order.

NOTES ON STANDING ORDERS

1. Use only one commodity line on a Standing Order. (if more description is needed, go to Options and Item Text and finish the description.) Never have a $0 line in the commodity or FOAPAL line. Banner will not allow a purchase order to be processed if there is $0 in either of these lines.
2. There can be several FOAPAL lines on one Standing Order.

3.6 PCards

The Purchasing Office issues KSC PCards for supplies and/or travel. The PCard is a tool that can be used in place of purchase orders especially for large volume, low dollar items. Equipment can not be purchased with a PCard but must be processed with a requisition.

3.7 Direct Pay

The Direct Pay form is for pre-payments of memberships, subscriptions, postage, pre-registrations, reimbursements and other types of payments for which the requisition to Purchase Order process cannot be used.

Also, non-contract/non-blanket order items purchased for $200.00 and under can be bought by using either the Petty Cash or Direct Pay procedures.

Transactions Not Requiring a P.O.

3.8 Adjustments to Purchase Orders

A memo is sent to Purchasing at purchasing.keene.edu via e-mail requesting adjustments to previously placed orders with the “Purchase Modification Form” attached. The form can be found in Outlook Public Folders, Banner Finance, User Information, Forms - Revised for Banner. When requesting a

change to a purchase order please include, the purchase order number, vendor name, accounting information, the amount of the change and whether it’s an increase or decrease.

NOTE: An increase usually does not have to be requested for freight charges.

3.9 Closing Purchase Orders

To close purchase orders follow the same instructions as you would to request changes except attach the “Close Purchase Order Request Form”. The form can be found in Outlook Public Folders, Banner Finance, User Information, Forms - Revised for Banner.

3.10 Insufficient Budget Balance

All requisitions must have the correct FOAPAL information in order to be processed into Purchase Orders. When funds are not adequate to cover the proposed expenses, a budget transfer must be made.

Funds must be available and transfers approved by the Business Office and/or the Vice-President of Finance and Planning prior to purchase.

4.0 Receiving and Storage

4.1 Receiving Supplies

A central location may be provided for receiving supplies, or they may be delivered to various locations. Some factors that determine whether Central Receiving or random receiving is appropriate in a given situation are:

1. Need for loading dock facilities.
2. Control of traffic.
3. Capability to perform receiving functions at individual buildings.
4. Verification of delivery and control and payment of collect and freight charges.

5. Effectiveness of inspection and claims processing.
6. Identification of true costs in Central Receiving compared to the fragmentation of costs in random receiving. (NACUBO)

5.0 Tracings, Claims, and Disposals

5.1 Returning and Tracing Items

Never return items to vendors without notifying Purchasing. Accounts Payable should be notified so that they don’t pay the invoice. Departments must first contact the vendor and make arrangements for returning the goods, as well as expediting or tracing an order. If a department cannot get any satisfaction from the vendor, they should contact Purchasing and we will get involved.

For tracing and returns, we need the following information:

Item 1: Purchase Order number.

Item 2: Any and all documentation associated with the order.

Item 3: Reason(s) for returning goods.

Ascertain if the items have arrived on campus before requesting a trace. The department will be informed as soon as the vendor responds.

5.2 Settle Freight Claims

The person receiving short shipments, damaged goods or goods suspected to have possible concealed damage is to acknowledge this on the receiving report and on the common carrier’s delivery receipt, and is to notify the Purchasing Office **immediately. DO NOT REJECT THE SHIPMENT! The shipment must not be removed from the point of delivery and the carton/packaging material must be retained.**

As soon as damaged or short shipments are discovered, the department is to notify the carrier(s), the shipper and Purchasing. Common carriers have, in the past, required written notification within fifteen (15) calendar days. Good

business practice dictates prompt notification. The chance for a favorable settlement is enhanced if the claims procedure is instituted within fifteen (15) days or sooner. Accounts Payable will be requested to supply a copy of the invoice to establish the value of goods missing or damaged. The carrier or his agent is required to investigate the claim promptly and thoroughly. If an inspection of goods is made, a copy of the report will be left by the inspector.

5.3 Surplus Property

5.3.1 Surplus Property Letter to the Campus

Each year the Purchasing Office asks the entire Campus Community to assist us in our Surplus Property Program. We provide you with an opportunity to clean out your offices, closets, etc. and get rid of those items that have outgrown their usefulness to you. The items you may consider junk, may be treasures to others.

5.3.2 Surplus Property - KSC POLICY

All equipment and property currently used by your area, or purchased in the future, with Keene State College funds, are owned and belong to the University System of New Hampshire. No property is allowed to be disposed of without prior approval of the Purchasing Office.

To declare any/all computer and audio visual equipment items as surplus the following must happen:

1. Computer equipment - contact the KSC Help Desk, helpdesk@keene.edu or 8-2532.
2. Audio visual - contact Steve Armstrong, sarmstrong@keene.edu or 8-2416.

For all other equipment the KSC Purchasing office needs to be informed in writing when:

1. Equipment location is changed, (building)
2. Equipment is transferred to another department

3. Equipment is acquired by means other than the standard Purchasing process, (i.e. donated)
4. Equipment is traded in/replaced because of repairs

If there are excess equipment items you wish to have removed from your area, you must claim these items as SURPLUS PROPERTY. These items will then enter into the Surplus Property Program and be sold through this network.

To declare an item Surplus Property, please notify purchasing via email and send an MRO to Grounds requesting them to move the item(s) to the Surplus Property Building on Winchester Street.

REMEMBER! DO NOT DISPOSE OF ANYTHING WITHOUT GOING THROUGH THE PROPER PROCEDURES!

6.0 Regulations for Special Types of Purchases

6.1 Consulting Services

Any department or office at KSC that wishes to use the services of a consultant or independent contractor, for whatever reason, **MUST** complete an Independent Contract Agreement **PRIOR** to the services being performed. The form can be accessed at http://www.keene.edu/purchasing/forms.cfm. All Independent Contracts MUST have the proper authorized signatures before performing their service(s). All consultant's agreements MUST have the Principal Administrator and Presidential Approval before they can be forwarded to KSC Purchasing for processing.

Consultant's agreements that exceed the Campus dollar authority of $75,000.00 require the USNH Vice-Chancellor's approval before they become valid.

Note: The guidelines for using these forms are also located on the forms page at http://www.keene.edu/purchasing/forms.cfm. Just click on either PDF or

Word to get to the form.

6.2 Capital Equipment

All computer and audio visual related equipment that has a per unit cost up to $4,999 must conform to KSC standards and be approved by the IT Group via two (2) copies of the FORM D before we can process a purchase order. For this category, the FORM D does not require vice-president or presidential signature.

All equipment items between $5,000 and $9,999 require a FORM D signed by the acquiring department and the vice president. All equipment items over $10,000 require a FORM D signed by the acquiring department, the vice president, and the president. If any item is a computer or AV item, IT Group approval is also required.

Banner account codes to use for fixed assets are as follows:

- 740000 - Single equipment items over $5,000.00
- 715026 - Single equipment items from $3,000.00 - $5,000.00
- 715025 - Single equipment items from $1,000.00 - $3,000.00

Regardless of the inventory list on which these items may appear, it is the responsibility of each budget manager to maintain their area inventory. This responsibility includes notification to the Purchasing Office of any change in location, sale or transfer, and new purchase additions.

Budget managers are responsible for their inventories. Budget Managers may be asked periodically to verify their departmental assets.

6.3 Form D

Requirements for Form D’s are as follows:

- AV or computer related item(s) **only** with a per unit cost up to $4,999.99: Form D required with signatures by the acquiring department head and the Information Technology Group before the item can be purchased.

- Equipment, including AV or computer related item(s) between $5,000.00 and $9,999.99: Form D required with signatures by the acquiring department head and a vice-president. If the item is AV or computer related, the Information Technology Group **must** sign the Form D before it comes to Purchasing.
- Equipment, including AV or computer related item(s) $10,000.00 and up: Form D required with signatures by the acquiring department head, vice-president and the president. If the item is AV or computer related, the Information Technology Group **must** sign the Form D before it comes to Purchasing.

6.4 Standardization of Equipment, Computers, Audio-Visual, Business Cards, Publications, Stationery, Help-Wanted Advertising

The Purchasing Office is responsible for implementing the standardization of a variety of products and services for the Campus. This standardization allows us to purchase quality products and services by large volume, thus saving money for KSC while still providing users with items they have requested.

It also allows us to enter into favorable service agreements with vendors. The third advantage of such a program is that the user can be assured they are purchasing a product for which Campus staff can provide maintenance assistance. Six such programs currently in effect are the computers, audio/video items, business cards, stationery, publications and help-wanted advertising. The KSC Information Technology Department must approve all computer purchases and audio/video related purchases, College Relations must approve all business card, stationery purchases and publications and Human Resources must approve all help-wanted advertising. Advertising for new hires must be approved by the Human Resource Office before placing it in the newspaper. These approvals guarantee that the users not only purchase items that can be serviced, but it also establishes a high standard of quality for the items purchased by the College. Other areas of standardization are under consideration.

Please feel free to contact these departments when thinking about purchasing such items. Their expertise in these areas can provide you with the answers needed for “smart buys”.

Any and all equipment requests must be forwarded in writing to your responsible Principal Administrator. This request is then forwarded to the Purchasing Office. Purchasing is not authorized to procure any equipment without prior Principal Administration and the President’s approval on an Equipment Authorization Form. The Form D form is located at http://www.keene.edu/purchasing/forms.cfm

6.4.1 Lock Down Policy & Procedures

Keene State College policy requires that all departmental computers be secured with approved lock-down devices.

All departments wishing to have lock-downs installed in their areas should contact the Information Technology Department.

6.5 Usnh Hazardous Waste Procedures

Keene State College, as part of the University System of New Hampshire (USNH), adopted the Hazardous Materials Management plan on November 3, 1994. It was created to outline system-wide policies for the ongoing management of hazardous materials, from acquisition through disposal, in accordance with all applicable laws and regulations. Specific responsibilities for hazardous materials management is outlined for all persons within the organizational structure, with the ultimate responsibility for using hazardous materials safely and in compliance with all laws residing with the user.

The basic tenets of the Plan include: Inventory Management, Hazardous Waste Minimization, Hazardous Materials Use Reduction, Mandatory Training Requirements, Organizational Communication, Life cycle Cost Accounting and an Emergency Action Plan. It is the intent of the Plan to incorporate these tenets to provide a safe environment for all USNH students, staff and faculty to work together successfully. Any and all questions regarding the use of hazardous materials should be directed to the KSC Physical Plant Office.

6.6 List of Negotiated Campus Contracts

6.6.1 Office Supplies

All purchases for office supplies are to be placed through the current Contracted Vendor for office supplies. The Office Supply contracted vendor’s catalogs are available through the Purchasing Office.

6.6.2 Travel

All travel arrangements, questions and concerns should be directed to the Keene State College Travel Coordinator. The Travel Coordinator is located in the Purchasing Office, Fiske Annex, at 603-358-2494. When making travel arrangements, please consult the Travel Handbook.

Travel arrangements are to be made through the Keene State College preferred vendors, Accent Travel or Milne Travel.

The Keene State College Travel Handbook explaining all of the procedures is available on the Purchasing web site.

Example on how to make travel arrangements:

KSC Master Card “GHOST” Card Program:

- Traveler contacts KSC approved travel vendor, (Milne or Accent)* and makes all his/her arrangements

*Travel Agency can reserve hotel & car rentals but the Traveler must use their own credit card upon arrival at the hotel and/or car rental agency. Reimbursement for these expenses is via the USNH Travel Expense form.

- Travel vendor e-mails itinerary to traveler and purchasing
- Traveler forwards to his/her Budget Manager to obtain approval for trip.
- Please note: The individual traveler cannot approve his/her own travel. The supervisor must always approve an individual’s travel documentation
- International - traveler has budget manager’s approval and vice-president

pre-approval

- E-Mail must have:
  1. Stated Business Purpose of Trip
  2. FOAPAL - account that the trip will be charged to
- Purchasing can NOT process requests without written, (we suggest e-mail), proof of budget approval
- Once approval e-mail is received in Purchasing - Purchasing will call and order the tickets and send a confirmation e-mail to Traveler
- Purchasing will charge the appropriate departmental account electronically
- Charge will appear on departmental monthly budget reports

NOTES: When the traveler calls the travel agency to make travel arrangements, the following information is needed:

- Date of departure
- Date of return
- Originating city
- Destination city
- Number of travelers
- Names of travelers
- Passenger phone number
- Transfers to/from the airport
- Any physical disabilities
- Excess baggage requirements

KSC Travel Card Program - Individual Travel PCard - Please contact Purchasing for information about this program.

When making arrangements for candidates to come on campus, the search chair or designee will call the travel agency with the names of the candidates coming in for interviews. The 800 number is to be given to the candidate and they can call to make the arrangements. The same process will then be followed for booking the air fare.

6.6.3 Food Service/Catering

The Purchasing Office has established the following purchasing procedures for ordering services from our contracted vendor at the Dining Commons:

1. The department can enter a requisition into Banner and Purchasing will assign a purchase order number to it or call Purchasing for a confirming purchase order number. If a confirming number is given to a department, a requisition is to be entered into Banner with the confirming number typed in the comments box. The requisition is to be entered within 24 to 48 hours after receiving the confirming purchasing order number.

2. If a department gets a confirming purchase order number they are responsible for communicating it to the contracted vendor. The contracted vendor **WILL NOT** provide any service without this number. The Dining Commons must be given the confirming purchase order number at least 24 hours in advance of the scheduled event.

3. The contracted vendor will then invoice KSC, clearly indicating the purchase order number on each invoice.

4. Standing Orders will still be in effect and are encouraged.

All departments are strongly encouraged to use the contracted vendor for all of their food service needs. Keene State College has a contractual obligation with our Food Service Contractor allowing them the opportunity to bid on all On-Campus departmental catering requests.

The KSC Purchasing Office requires that a written bid be forwarded to our Office from the third party caterer and the contracted vendor **BEFORE** we will process paperwork to any third party catering firm. This way, we can take care of our contractual obligations, as well as provide for a competitive and fair catering services arena.

6.7 Ksc Employee Transition Allowance

Protocol

As you may know the moving allowance policy is now an employee transition allowance. USNH Policy USY V.F.7.5.2 (http://usnholpm.unh.edu/USY/V.Pers/F.7htm) specifically allows "compensation paid to faculty or exempt staff members as part of a recruiting effort". Below you will find important things to know.

(1) The transition allowance must be authorized in advance, (by the Vice President - Position Filled Form)
(2) The transition allowance must be documented in writing to the employee and for KSC/USNH files, and (Position Filled Form and the formal appointment letter)
(3) It must be directly related to the commencement of employment at USNH

When the transition allowance has been offered to a newly hired employee, the hiring supervisor will complete the moving expenses section of the Position Filled Form. The amount offered and any special notes should be provided.

The following language will be included in a formal appointment letter. The VPAA's office will be responsible for including this in all faculty appointment letters and the office of Human Resource Management will include it in PAT appointment letters.

A comprehensive transition allowance in the amount of $____ will be paid in lieu of moving expense reimbursement. The payment will be received during your first month of employment. It will be processed as supplemental taxable compensation through the payroll system with all applicable income and FICA taxes deducted. Many of your moving expenses may be tax deductible. You will be responsible for record keeping and tax form preparation if you chose to claim a deduction for moving expenses. See IRS Publication 521 for current regulations and description of qualified moving expenses.

The Office of Human Resource Management has made a commitment to include the transition allowance in the employee's first paycheck. A transaction will be done by HR to process a one time payment against earn code 418, against the labor distribution associated with the position, but against expense code 61CPBN. All relocation payments must be included in

the transition allowance and paid directly to the employee.

In rare exceptions and with written approval by the President, or Vice President, all or a portion of the transition allowance may be advanced to the employee prior to commencement of employment. If an advance is approved, the employee will be required to sign a promissory note payable to the institution that authorized payroll deduction for repayment in accordance with established Payroll procedures. In the event the employee does not commence employment or the advance is not fully repaid on a timely basis, (1) the institution will pursue formal collection efforts, (2) the hiring department will be responsible for funding the full amount of the advance including fringe benefit charges thereon, and (3) the individual will receive reportable taxable income in accordance with IRS “accountable plan” rules.

This protocol will be further discussed as key administrators determine how to insure equity between constituents receiving these payments.

7.0 Conflict of Interest

7.1 University System of New Hampshire Purchasing Policy

The following is from #VII-A-27.4, Common Policies Section of the University System Policy Manual:

Goods or services personally benefiting faculty or staff.

“Faculty or staff members who would benefit financially from the supplying of goods or services to the University System by any prospective supplier may not participate in the decision process leading to the choice of supplier. Specifically, faculty or staff members who have or who reasonably anticipate having either an ownership interest, or other remunerative relationship with a prospective supplier may not participate in the recommendation of, drafting of specifications for, or the decision to purchase the goods or services involved. Faculty or staff members who know that a member of their family (or any other person with whom they have a personal or financial relationship) has an ownership interest or a significant executive position in a prospective

supplier are also disqualified from participating in the purchase of goods or services.”

Code of Ethics

1. Give first consideration to the objectives and policies of my institution.
2. Strive to obtain the maximum value for each dollar of expenditure.
3. Decline personal gifts or gratuities.
4. Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
5. Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intention misrepresentation.
6. Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
7. Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
8. Make every possible reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
9. Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
10. Cooperate with trade, industrial and professional associates, and with governmental and private agencies for the purpose of promoting and developing sound business methods.
11. Foster fair, ethical and legal trade practices.
12. Counsel and cooperate with NAEB members and promote a spirit of unity and a keen interest in professional growth among them.

National Association of Educational Buyers

Glossary

ACCOUNT CODE: A six digit (i.e., 711100) code used in conjunction with the FOAPAL number indicating the classification of the goods or services (i.e. supplies, equipment, travel, etc.)

ACKNOWLEDGMENT: Vendor’s acceptance of an order.

ARO: After receipt of order.

BID: A quotation to sell goods or services, at a specific price, under specified terms and conditions. All formal bids must go through the Purchasing Office.

BIDDER: Vendor submitting a quotation to sell.

BILL OF LADING: Shipper’s form listing number of pieces shipped, weight and freight classification. This should be attached to the receiving report.

BUDGET APPROVAL: Endorsement by the appropriate administrator(s) allocating funds for specific purposes.

BOT: Board of Trustees.

COMPETITIVE QUOTATION: A quotation received from two or more bidders for goods and/or services.

CONFIRMING ORDER: Written purchase order formalizing a previous verbal commitment authorized by a Purchasing Agent.

CONTRACT: Agreement by a vendor to sell goods or services under established conditions and terms for a defined period of time and/or discounts.

DAMAGE/CONCEALED: Goods received that have been damaged prior to shipment or during shipment. Concealed damage is not visible until packing materials have been removed.

DIRECT PAY: Payment Voucher Form.

DOCUMENTATION: Documents necessary to support the request for purchase. Information often required includes: current pricing, justification for

selection, technical specifications, FOB point and terms.

FOAPAL: The twelve digit number (i.e., 5U0000 KFBPUR) indicating a specific fund and organization.

FOAPAL TITLE: The title is the name of the account designated.

FOB: Free on Board. The geographic point indicated where title passes from seller to buyer.

FREIGHT CLAIM: Document submitted to a common carrier or vendor for damaged goods or a short shipment.

FREIGHT BILL: Invoice for the transportation charges of goods shipped or received.

GUARANTEE: Manufacturer’s or seller’s pledge relative to the performance of serviceability of goods or services.

INSPECTION REPORT: Report written by a freight carrier’s inspector evaluating the extent and circumstances of damage.

N/30: Payment in full due within 30 days of invoice date.

PO: Purchase order. A formal written document sent to a vendor citing the goods or services to be purchased, shipping instructions, terms and conditions of the proposed transaction.

POINT OF DELIVERY: The geographic location that the buyer has specified to receive purchased merchandise.

PP/ADD: Pre-pay and add. Freight charges are prepaid by the shipper and added to the purchaser’s invoice for the goods.

PP/ALLOW: Pre-pay and allow. Freight charges are prepaid by the shipper and are not added to the purchaser’s invoice for goods.

PREPAYMENT: Procedure whereby a check is forwarded with a copy of the purchase order when vendor requests payment prior to delivery of goods/services.

PRO: Form carriers use to serve the dual purpose of delivery receipt and

subsequent billing. Person(s) receiving goods should always verify the count indicated and condition of the shipment.

QUOTATION: A statement by a vendor as to the price, terms and conditions for which specified goods or services will be sold.

RESPONSIBLE QUOTATION: A term used to designate a quotation that meets all the specifications.

REQUISITION: Requisition Input Form. Used to request the purchase of goods and/or services.

SEALED QUOTATION: Formal procedure of receiving and opening competitive quotations at a specified date, time and place.

SHIPPER: A person who consigns goods for transportation.

SHIPPING POINT: The geographic location where merchandise is consigned to a carrier.

SHORT SHIPMENT: Items consigned to a carrier but not delivered.

SITE INSPECTION: A time and place where a vendor can view the conditions under which a service is to be performed.

SPECIFICATION: A detailed and exact statement of 63 particulars describing the goods or services required.

SPO: Standing Purchase Order. A purchase order permitting the buyer to place individual orders or releases to a particular vendor for supplies and/or services for a specified period of time using the same purchase order number.

STANDARDIZATION: Practice of establishing which brand name goods or repair services will be used to the exclusion of all others after studying the long term overall cost effectiveness.

SURPLUS PROPERTY: Item(s) declared of no further use to a department. Requires a procedure of advertising the items for sale within the System, to State Agencies and to the Public.

TERMS: A statement of seller’s payment requirements. Included would be cash discounts for prompt payment, if any, and the maximum time allowed for

payment.

TITLE: Indicates ownership.

TRACER: Request for information from the vendor or the carrier about an order which has not been received.

UCC: Uniform Commercial Code. Rules generally accepted by all US businesses which establish the guidelines under which they do business with one another.

VENDOR: An individual or business supplying goods and/or services.

WARRANTY: An assurance by the seller of property that the goods or property are as represented and will be as promised.

WAY BILL: A shipping document identifying shipper, date of shipment, carrier, number of parcels, weight, receiver and date received.

2%/10: A seller’s terms indicating a 2% discount may be taken on amount invoiced if payment is made within 10 days of invoice date.

Departmental Account Codes

| Equipment: | | | :— | | | Furniture> $5,000.00 | 740000 | | Equipment (Miscellaneous)> $5,000.00 | 740000 | | Computers> $5,000.00 | 740000 | | Copiers> $5,000.00 | 740000 | | Cars> $5,000.00 | 740040 | | Lease Purchase | 740100 | | Books | 770005 | | Periodicals | 770025 | | Micro-Media | 770000 | | Recordings | 770000 |

| Travel: | | | :— | | | Travel - In State | 710000 | | Travel - Out of State | 710100 | | Travel - Foreign | 710200 | | Travel - Conference Registration Fees | 710300 | | Travel - Non-Employees | 710400 |

| Supplies: | | | :— | | | Supplies - Pcard | 711000 | | Supplies - Educational | 711100 | | Supplies - Office | 711100 | | Supplies - Central Stores | 711102 | | Supplies - Bookstore | 711104 | | Subscriptions | 711108 | | Mail Service - General | 714000 | | Campus Mail Service | 714005 | | Equipment - $1,000.00 to $3,000.00 | 715025 | | Equipment - $3,000.00 to $5,000.00 | 715026 | | Maintenance & Repairs | 716000 | | Rentals | 716100 | | Consulting | 717000 |

| Professional Services | 717200 | | Hazardous Materials | 717282 | | Telephone Charges - Other | 718000 | | Campus Telephone Charges | 718004 | | Business Meals | 719000 | | OFFICE MEETINGS | 719005 | | Campus Wide Functions | 719010 | | Membership Fees | 719100 | | Employee Recruiting | 719200 | | Awards to Non-Employees | 71C000 | | Ads - Non-Employment | 71C100 | | Expenses Not Defined | 71CZ00 |

Banner Unit of Measure

Code	Description	Code	Description
BOX	Box	LT	Lot
CEN	Centimeter	MET	Meter
CON	Container	MON	Month
CSE	Case	OZ	Ounce
CTN	Carton	PAK	Package
DAY	Day	PC	Piece
DZ	Dozen	PR	Pair
EA	Each	ROL	Roll
FT	Foot	SET	Set
GAL	Gallon	SQF	Square Foot
GR	Gross	SVC	Services
GRM	Gram	THR	Therms
HR	Hour	TON	Ton
INC	Inch	TRP	Travel Related
KW	Kilowatt	YD	Yard
LB	Pound	YR	Year

LF	Linear Foot		