

# Purchasing Training

July 1, 2020

**SUU** Purchasing  
Office  
SOUTHERN UTAH UNIVERSITY

# AGENDA

---

---

- UPDATES & REMINDERS
- GENERAL PURCHASING
- REQUISITIONS & PURCHASE ORDERS
- BID REQUIREMENTS
- PURCHASING CARDS
- QUESTIONS & COMMENTS

# General Purchasing

---

---

Director

Brad Brown

[brown@suu.edu](mailto:brown@suu.edu)

(435) 586-7871



# POLICY & PROCEDURES

---

- State of Utah Procurement and SUU Policy determine the rules, regulations, and order for our university
- The university has an extensive policy regarding the purchasing of goods and services. The Purchasing Office is here to help you and your department be in compliance with policy and to help with the procedures required
- A copy of the policy is available at the Purchasing Office or online at [www.suu.edu/ad/purchasing/policies.html](http://www.suu.edu/ad/purchasing/policies.html)

# PLACING ORDERS

---

- Only purchasing office personnel are authorized to sign agreements that involve university funds
- No employee may ever authorize, place, approve, agree, promise, or order any item without prior approval through the use of a
  - Purchase Order
  - Purchasing Card – Only when receiving goods/services at time of payment
- The only personnel authorized to sign contracts are **Brad Brown, Marvin Dodge, and President Wyatt**

# REQUISITIONS & PURCHASE ORDERS

---

---

Administrative Assistant

Marisa Foster

[fosterm@suu.edu](mailto:fosterm@suu.edu)

(435) 586-7717



# PURCHASE ORDER VS. DIRECT PAY

## Purchase Order

---

- Purchasing Office Product
  - Completed in Banner
- Used for:
  - Supplies
  - Materials
  - Services
  - Equipment
  - Any contractual agreement

## Direct Pay / Check Requisition

---

- Accounts Payable Form
  - Completed in Banner/Physical Form
- Used for:
  - Reimbursement for employee expenses
    - Moving expenses
    - Professional fees
  - Non-employee travel reimbursement
  - Wire transfer

# PURCHASE ORDER TYPES

---

- **Regular Purchase Order**

- Used for purchases requiring Terms & Conditions (represents a contract)
- Will initiate production/shipment of goods or reserve services when Purchasing Office sends it to the vendor
- Closes once all line items (goods or services) have been received by the university

- **Standing Purchase Order**

- Used when multiple invoices will be sent for 1 Purchase Order
- Cannot exceed \$5,000 (state contract is an exception)
- Duration of 1 year maximum, must be renewed every FY with a new requisition
- Requesting department will establish invoicing terms with the vendor
- Can be decreased or increased during the year to accommodate department/vendor needs



# KEY COMPONENTS

---

- Used in the “Document Text” of the Requisition Form
  - **Sole Source**
  - **Check with Order**
  - **State Contract Number**
  - **SUU Bid Number**
- Determine how the PO is processed

# KEY COMPONENTS cont.

---

- **Sole Source**

- Justification is based on one of the following:
  - Compatibility of equipment/service
  - Equipment/service is only available from a single supplier in the U.S.
  - Compatibility of professional services
  - Sole Source Request & Justification

- **State Contract Number**

- Given by the State Contracted Vendor or the Purchasing Office

- **Check With Order**

- A prepayment or up to 50% deposit is required
- Service contract continuation is required
- Vendor does not accept credit card payments (for qualifying purchases only)

- **SUU Bid Number**

- Provided by the Purchasing Office
- Indicates a bid (if applicable) was completed

# BIDS & PROPOSALS

---

---

Assistant Director

Dan Camp

[camp@suu.edu](mailto:camp@suu.edu)

(435) 586-7732



# GENERAL INFORMATION

---

- [Bid/RFP Request Forms](#) are required for Purchasing to proceed
- Bids are not required if a vendor is on State Contract
- Informal bids can be completed upon Department request

**The requesting department must contact the Purchasing Office prior to any contact with vendor, person, or agency as soon as a bid threshold is met.**

# BID THRESHOLDS

---

- **Orders \$0.00-\$5,000:**

- Bids are not required. However, prudent and competitive business practices are encouraged
- Recommended that university employees compare multiple sources for pricing (in written form) of goods or services before completing a transaction

- **Orders \$5,001-\$50,000:**

- A formal bid document must be prepared and administered by an authorized member of the Purchasing Office

- **Orders above \$50,000:**

- State of Utah Purchasing Policies, procedures, and laws must be adhered to for all purchases of this level
- Process time allowed for this level of transaction will be at a **minimum of ten (10) working days** to satisfy State of Utah code requirements.

# PURCHASING CARDS

---

---

Purchasing Card Coordinator

Danae Wade

[danaewade@suu.edu](mailto:danaewade@suu.edu)

(435) 586-7733



# DUTIES & RESPONSIBILITIES

---

## ACCOUNT MANAGERS

- Facilitate P-card limit Adjustment Requests
- Obtain VP/Dean/President signature for purchasing exceptions
  - ie. Meals, entertainment...
- Allocate P-card transactions in Banner
- Report misuse / non-use of P-cards
- Facilitate quarterly audit for cardholders
  - Individual cardholders are responsible for having their receipts, meal forms, and statements
- **DO NOT** adjust their own P-card

## SUPERVISORS

- Approve P-card limit Adjustment Requests for Account Managers
  - Can also be signed by the VP/Dean
- Request Financial Banner for Account Manager (to allocate transactions)
- Responsible for Account Manager and cardholder actions
  - (ie. lack of training /understanding/ unapproved purchases)
- Approve and sign statements **PRIOR** to Quarterly Internal Audit
- **DO NOT** adjust their own P-card

# POLICY & PROCEDURE HIGHLIGHTS

---

- Standard Limits
  - \$1,000 per transaction
  - \$5,000 monthly
- Tax Exempt in Utah
  - Exception: Hotels
- **DO NOT** use on campus - Index Code
  - Exception: SUU Postal Service
- **The cardholder is personally liable for all unapproved transactions**
- Use for travel
  - Hotel rooms, airline tickets, car rentals
  - **NOT** fuel or personal meals
- Food purchases
  - Authorized by the Dean, VP, or President **prior to purchase**
  - Approved Dean, VP, or President by signed Business Meal Form **after purchase**
- Documentation
  - Cardholder's responsibility
  - Itemized receipt with business justification on/attached to
  - Tax exempt if applicable
  - Business Meal Form if applicable
- **DO NOT PURCHASE**
  - Gift cards, personal items, fuel, alcohol
  - Computers/tablets without approval from IT
  - Goods/services not yet rendered
  - Transactions over the \$5,000 bid limit
    - Excludes MOST travel expenses



# PURCHASING CARD APPLICATION PROCESS

---

1. Submit a signed Purchasing Card Application to Purchasing
    - Permanent Adjustments from standard limits or closed vendors require signatures from **VP/Dean/Provost/President as applicable**
  2. Purchasing schedules training with Cardholder
  3. Card available after training
- **Important forms**
    - [Purchasing Card Application](#)
    - [Purchasing Card Guide](#)
    - [Business Meal Form](#)
    - Purchasing Violation Form

# PURCHASING CARD VIOLATIONS

---

## • Major Violations

- Split transactions
- Missing statements
- Unapproved purchases over the \$5,000 bid limit
- Purchases of alcohol
- Giving the card to someone else
- Intentionally using the card for personal purchases

*\*Card immediately frozen and/or permanently terminated\**

## • Minor Violations

- Missing receipts
- Non-itemized receipts
- Missing or unapproved Meal Form
- Accidental personal purchase
- Missing Business purpose with the receipt

*\*One month grace period to reconcile\**

# Additional Resources

---

---

Student Office Assistant

Mickell Brinkerhoff

[purchstu@suu.edu](mailto:purchstu@suu.edu)

(435) 586-7725

