



Southern Utah University Purchasing Guide

Purpose

The Southern Utah University (SUU) Purchasing Guide is established to guide, support, and clarify correct methods to procure goods and services at Southern Utah University. This guide is subject to the provisions of Policy 5.24, Purchasing.

Definitions

- A. **Account Manager:** Person in the department that is assigned to facilitate Purchasing Card maintenance.
- B. **Appropriate Documentation:** Physical or electronic documentation of a purchase that provides itemized information including the vendor's name, transaction date, description, quantity, cost of each item purchased, and the total cost of the transaction. This provides enough detail for the Supervisor to approve a transaction. Examples include but are not limited to an invoice, receipt, or order confirmation. **STAND ALONE CREDIT CARD MACHINE RECEIPTS ARE NOT APPROPRIATE DOCUMENTATION.**
- C. **Major Violations:** Purchases by an employee that violate university policy or state code. They are considered more serious than a Minor Violations, but less serious than Unlawful Violations.
- D. **Minor Violations:** Purchases by an employee that violate university policy or state code. They are considered less serious than Major Violations and Unlawful Violations.
- E. **Monthly Limit:** Maximum amount a Cardholder can spend during a billing cycle (from 10th of the current month to the next business day after the 10th of the following month).
- F. **Professional Services:** A service that requires a high degree of specialized knowledge, training, certification, professional licensure, or discretion in the performance of the service.
- G. **Restricted Transactions:** Transactions requiring pre-authorization (permanent or temporary).
- H. **Single Procurement Aggregate Threshold:** The maximum total amount that a university unit may expend to obtain multiple Procurement items from one source within a single Transaction.
- I. **Single Purchase Limit:** Maximum amount a Cardholder can charge per transaction.
- J. **Split Transactions:** To divide, split, parcel, or otherwise manipulate a Procurement into two (2) or more smaller purchases with the intent to circumvent the Procurement laws, policies, and/or procedures.
- K. **Statement Packet:** Consists of a Cardholder's monthly Purchasing Card statement. Includes Appropriate Documentation for every transaction on the statement and additional supporting documents necessary to justify the business purpose. Statement Packets will be submitted and approved through the [P-Card Approval Queue](#).

- L. **Supervisor:** Person with financial authority for funds within their department/division. Supervisors authorize Cardholders to make purchases with university funds and are accountable for the actions of their Cardholders by approving monthly Purchasing Card statements.
- M. **Transaction Allocator:** Person who allocates Purchasing Card transactions in Banner using the *Purchase Card Transaction Maintenance (FAAINVT)* Banner screen.
- N. **Unlawful Violations:** Are purchases that violate Utah State Code. They are considered the most serious purchasing violation an SUU employee can commit. Please reference *State Code 63G-6a-2404.3. – State Code 76-8-402 – State Code 67-16-9.*

Standard Purchasing Thresholds

Small-Dollar Purchases: \$0 – \$5,000

All purchases under the small-dollar purchase threshold may be placed directly with a vendor without seeking formal competition. A purchase order must be completed before the order is placed, unless you intend to use a university purchasing card. It is recommended that University employees compare multiple sources for pricing of goods and services before completing a transaction, and the departments get their pricing/quotes in written form. According to the Uniform Commercial Code, any offer over \$500 has to be in written form to be binding and enforceable.

Small-Dollar Bid Threshold: \$5,001 - \$50,000

Purchases that exceed the small-dollar purchase threshold require bids or proposals. The Purchasing Office will complete the bid or RFP process, which includes preparation of formal bid or RFP documents and contract award notifications. Bids or proposals must be requested from a minimum of three (3) vendors/contractors. Bids and proposals can be delivered to the Purchasing Office or sent electronically. Oral bids will not be accepted.

Large-Dollar Bid Threshold: \$50,001+

The threshold over which a formal, advertised solicitation must be conducted in accordance with University Purchasing Policy. The Purchasing Office will perform the bid or RFP process which includes preparation of formal bid or RFP documents and contract award notifications.

Exceptions to Standard Procurement Thresholds

Certain procurement categories, as outlined below, have been designated as unique and warrant a higher threshold and latitude in the university procurement process. If you believe the service or item you intend to purchase should receive an exception, please visit the SUU Purchasing website to find the Exception Request Form.

- Professional Services \$0 to \$100k
- Software \$0 to \$50k
- Construction \$0 to \$30k

Examples of a Professional Services (Professional services include, but are not limited to)

- Legal services
- Consultation services
- Architectural services
- Engineering
- Underwriting
- Bond Counsel
- Financial advice
- Medical services
- Psychiatric services
- Counseling services
- Software design and programming
- Pyrotechnics (Fireworks)
- Sound & Production for Professional Performances, defined as: An artist or group that is contracted through national recognized agency

Example of Exceptions to the Procurement Requirements (Exceptions include but are not limited to)

- Public Utility Services
- University Library licenses, data bases, subscriptions
- Instructional Materials (include print, visual, and audiovisual. The instructional materials should align with the course's learning objectives, assessments, and activities)
- Membership fees, conference registrations, seminars, subscriptions to intellectual content
- Athletic game guarantees
- Guest lecturers, performers, entertainers, concerts, convocations, and the services associated
- Airfare (bids are still required when chartering aircraft)
- Hotels
- Media advertising and marketing, including social media
- Sponsorships
- Royalty payments
- Postage and direct mail Services
- Groceries
- Fast Food Services
- Art
- Real Estate & Appraisal Agents

Purchasing Cards (P-Cards)

Purchasing Cards are used to purchase goods or services required to support the normal daily activity of your department or organization. Use of a Purchasing Card falls under the University's [Purchasing Policy #5.24](#) and this Purchasing Guide. The policy can be found on the SUU Purchasing home page under "Policies and Procedures." SUU Purchasing Cards are to be used only by the Cardholder to which they are issued. Under no circumstance is anyone else allowed to use your Purchasing Card. The security of the Purchasing Card is the responsibility of the Cardholder, and they are solely responsible for all transactions. The Purchasing Card must be kept in a secure place.

Completing Transactions

The Purchasing Card can be used at any vendor who accepts Visa credit cards, in person, online, or over the phone. When placing an order over the phone or online, ensure that the vendor includes contact information on the

shipping documents for the Receiving Department. Not ensuring that your contact information has been added to the package may delay delivery.

The preferred method of payment for Campus Auxiliaries is an INDEX or FOAPAL (interdepartmental transfer). Purchasing Cards can be used at the SUU Post Office and Chartwell's Locations (Chick-fil-A, Dining Hall, Starbucks, etc..)

SUU is a tax-exempt institution in the State of Utah. Cardholders should not pay sales tax when using their Purchasing Card. Hotels and Airlines do not offer tax exemptions. Before initiating the transaction, indicate to the vendor that you are using an SUU Purchasing Card, and the University is tax-exempt. The University tax-exempt ID number is located on the card and is given to the vendor upon request. At times, a vendor may request documentation validating our tax-exempt status. Please contact the Purchasing Office regarding such requests. Wal-Mart and Home Depot have a vendor specific tax-exempt ID number. After establishing tax-exemption status, complete the transaction.

Limits

SUU Purchasing Cards utilize Single Transaction Limits and Monthly Limits to minimize negligent spending and uphold Purchasing Policy. Card Limit adjustment requests must be submitted through the [P-Card Approval Queue](#). Standard Limits are as follows:

- Faculty / Staff: Single Transaction Limit - \$1,000 Monthly Limit - \$5,000
- Student Worker: Single Transaction Limit - \$500 Monthly Limit - \$1,000
- Official Volunteer: Single Transaction Limit - \$500 Monthly Limit - \$1,000

Restricted Transactions

Restricted Transactions require pre-authorization (permanent or temporary) by submitting a Purchasing Card Adjustment Request in the [P-Card Approval Queue](#) at least one business day prior to the adjustment date. All requests are subject to approval from the Purchasing Department.

- Software and Computer: In compliance with University IT policies and procedures, all purchases of software, including subscriptions such as Software as a Service (SaaS), and computer hardware using a purchasing card must receive prior approval from the Information Technology (IT) department.
- Gift cards, gift certificates, or other cash equivalent items are prohibited, except on rare occasions and only when pre-approved by the Chief Procurement Officer, Chief Financial Officer, or University President. All applicable U.S. Internal Revenue Service (IRS) tax reporting and payment requirements apply under such circumstances.
- Alcohol purchases are generally prohibited; however, there may be times when alcohol purchases are permitted for ceremonies, receptions, fundraisers, and/or private events. SUU Policy #5.40 outlines the procedures for approval of alcohol consumption on campus.

University Wide Restrictions (Restricted Items include, but are not limited to)

- Restaurants – Food
- Entertainment
- Computers, Software, Mobile Communication Devices
- Florist – Floral
- Service Stations (fuel/services/goods)

- Jewelry
- Liquor Stores/Alcohol
- ATM Transactions

Documentation

As a Cardholder, an important responsibility is to ensure that you receive Appropriate Documentation for each transaction on your monthly statement. The business purpose must be included with the documentation (i.e., office supplies, department meeting, event name, project, registration, conference, etc.).

Reconciliation

It is the responsibility of the cardholder to reconcile monthly bank statements. The cardholder must submit all documentation, including their monthly bank statements, within 30 days from the statement date. Your statement can be found at US Bank Access Online. Appropriate Documentation is required for every transaction on the statement, and any additional supporting documents necessary to justify the business purpose. Statement Packets will be submitted and approved through the [P-Card Approval Queue](#). Please reach out to Purchasing with any questions or concerns.

University Travel

All transactions related to travel are subject to [Travel Policy #10.13](#) including Per Diem amounts for out-of-pocket expenses. Purchasing Cards are open for travel expenses, including airline tickets, hotel rooms, parking, rental cars, ride share services, and baggage. Fuel and personal meals must be purchased out of pocket by the traveler and reimbursed via a Travel Reimbursement.

Purchasing Violations

Violations of the SUU Purchasing Policy, SUU Purchasing Guide, or SUU Travel Policy may result in suspension or termination of your purchasing privileges. If a violation occurs, points will be given according to the violation types and point value listed below, and the employee and supervisor will be notified as to the nature of their violation and the accumulated points. If no violations occur for twelve (12) months from the last violation, all points will be removed.

Unlawful Violations (Unlawful Violations include, but are not limited to)

Purchasing Privileges will be temporarily or permanently suspended or terminated if an Unlawful Violation occurs.

- Personal Purchase
- Misuse of Public Funds
- Split Transaction
- Conflict of Interest

Major Violations (Major Violations include, but are not limited to)

Purchasing Privileges could be temporarily or permanently suspended or terminated if a Major Violation occurs.

- Unapproved purchases over the \$5,000 bid limit
- Purchases of a restricted item without prior approval
- Allowing another person to use your Purchasing Card
- Signing a contract/agreement of any kind

Minor Violations (Minor Violations include, but are not limited to)

Purchasing Privileges could be temporarily or permanently suspended or terminated if a Minor Violation occurs.

- Purchasing Card Statement Package not submitted for review within 30 days
- Missing supporting documentation in your Purchasing Card Statement Package
- Using the Missing Receipt Form more than twice in one calendar year
- University Travel without Pre-Authorization (submitted and approved through Banner)
- Starting and order/project without an approved purchase order
- Accidental personal purchase. (A reversal of the charge by the vendor or a receipt from the SUU Cashier Office showing the Cardholder's repayment to the University will resolve this issue)

Violation Action Plan

- When an employee accumulates six (6) points, their purchasing privileges (including travel) will be suspended until they have received a re-training of the purchasing guide. Once the training is completed, their points will be reduced to three (3) and purchasing privileges will be reinstated. One training session every twelve (12) months is allowed to reduce points.

- If an employee again accumulates six (6) points before twelve (12) months has passed, their purchasing privileges will be suspended for six (6) months. If after the suspension is complete and the employee's privileges have been reinstated, they will begin with zero (0) points.

- If six (6) points are accumulated within twelve (12) months of the suspension, purchasing privileges will be suspend for at least twelve (12) months, with the possibility of permanent loss of purchasing privileges.

Violation Types	Point Value
Unlawful Violations	6
Major Violations	3
Minor Violations	1

Employees can appeal points or suspensions of purchasing privileges by requesting a review. Appeals must be sent to the Chief Procurement Officer (camp@suu.edu) within thirty (30) days of when the employee received the notification of point(s) or suspension.