



PROCUREMENT OF GOODS AND SERVICES
Policy & Procedures Handbook



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In Cooperation with the Office of Compliance
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As changes occur, the most up-to-date information can be found online at:
<https://www.palmer.edu/about-us/office-of-compliance/institutional-policies/>

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CHAPTER 1: ABOUT THIS HANDBOOK

A. Rationale

1. Procurement of goods and services for Palmer College of Chiropractic (“College”) is a vital business function that requires strategic and business decisions, made on behalf of the College. These decisions are to be made with the utmost consideration for what is in the best interest of the College, including but not limited to:
 - a. appropriate stewardship of College assets;
 - b. integrity in the acquisition of goods and services;
 - c. accountability to funding source restrictions, and stakeholders;
 - d. adherence to generally accepted principles of procurement;
 - e. monitoring, auditing and internal controls; and
 - f. compliance with this Handbook, relevant Board policies, College policies and applicable law.
2. Procurement refers to the range of activities involved in obtaining the goods and services the College needs to support its daily operations, including but not limited to sourcing, negotiating terms and conditions, executing contractual agreements, purchasing items, receiving and inspecting goods as necessary; and maintaining records of all the steps in the process.
3. This Handbook has been instituted to comply with relevant Board policy, College policy and applicable law.

B. Scope

1. This Handbook applies to the entire College community, which is defined as including the Main campus (Palmer College Foundation, d/b/a Palmer College of Chiropractic), Palmer-West (Palmer College of Chiropractic West) and Palmer-Florida (Palmer College Foundation, Inc., d/b/a Palmer College of Chiropractic Florida) with campuses respectively located in Iowa, Illinois, California, and Florida.
2. This Handbook applies to all employees (i.e., staff, faculty, administrators) students, student clubs, and any other person(s), groups, or organizations affiliated with any Palmer campus.

3. This Handbook constitutes the College's policy and procedures for College-wide procurement of goods and services for the College.
4. This Handbook constitutes the College's policy and procedures for College-wide authorization of expenditures.
5. This Handbook shall be administered by the Purchasing Department under the oversight of the Vice Chancellor of Finance.
6. The policy and procedures set forth in this Handbook shall supersede and govern all procurement activities including any activities previously outlined in other processes or that have previously occurred at the sole discretion of College departments or individuals.

C. Handbook Content

This Handbook:

1. Reaffirms the College's commitment to legal and ethical procurement activities;
2. Identifies and articulates signatory authority;
3. Identifies and articulates the delegated roles, authority and responsibilities within the procurement process, including authorized expenditure limits regarding expenditures; and
4. Describes the workflow of the procurement process.

D. Non-compliance with This Handbook

Employees or students found to have conducted themselves in a manner prohibited by this Handbook may be subject to disciplinary action up to and including termination of employment and/or dismissal as a student. Further, employees and students may be held financially responsible for unauthorized procurement activities (e.g., purchases, contracts, agreements). To report non-compliance with this Handbook refer to [Standard Provisions Applicable to All Other Institutional Policies](#).

E. Training

All employees (i.e., staff, faculty, administrators) students, student clubs, and any other person(s), groups, or organizations affiliated with any Palmer campus who will engage in any aspects of the processes in this Handbook are required to successfully complete training provided by the College.

F. Standard Provisions Applicable to this Handbook and all Other Institutional Policies

Additional provisions are applicable to this Handbook as well as all other institutional policies including:

- a. Reporting Noncompliance
- b. Discipline for Noncompliance
- c. Report Content and Anonymity
- d. Privacy
- e. Retaliation
- f. Reporting False Claims
- g. Investigations
- h. Violation of Law and College Policies
- i. Amendments to Policy
- j. Training

These provisions in entirety may be accessed on the College's website at:

[Standard Provisions Applicable to All Institutional Policies](#)

G. Amendments to This Handbook

1. The College may amend this Handbook at any time. Nothing in this Handbook shall affect the College's authority to amend, alter, change or modify this Handbook as it deems appropriate to further its mission.
2. If any portion of a law or regulation are stayed or held invalid by a Court of Law, the Department of Education (DOE), the Internal Revenue Service or other relevant governing body, in whole or in part, withdraws or modifies certain regulations which are incorporated into this Handbook which are no longer required, those provisions may be amended, altered, changed, modified or deleted from this Handbook at the College's sole discretion.

CHAPTER 2: GLOSSARY

For the purposes of this Policy, the following terms shall have the meanings specified below:

1. ***“Authorization for Payment”*** – refers to payment of a standalone invoice for reasonable and necessary expenses incurred by the individual in the conduct of official college activities. An Authorization for Payment form (commonly referred to as a “Check Request”) is the process used to provide payment for goods or services when a purchase order has not been previously

created. When possible, a Purchase Request should be completed and approved within NetSuite prior to the purchase of any goods or services. The term “NetSuite” refers herein to the Oracle NetSuite accounting and purchasing system implemented by the College. In situations where a purchase is made without a purchase order and an invoice has been received, the invoice must be submitted to Purchasing, entered in as a standalone invoice and routed for approval prior to being paid.

2. **“Capital Asset”** – refers to a unit of property with a useful life exceeding one year and meeting the threshold for capitalization, as defined in the Capital Asset Policy.
3. **“College-Issued Credit Card”** – refers to a credit card, granted to authorized users, that the College issues through a banking institution and that the College pays directly. A College-issued credit card may also be referred to as a “purchasing card,” “P-Card,” or “Procurement Card” (See [Chapter 8, Section B](#)).
4. **“Competitive Bid Process”** – refers to the process that allows the College to properly survey the marketplace and secure goods and services at fair and reasonable prices. It helps to ensure that the College receives goods and services of the best value while also satisfying federal, state, and college requirements. (See [Chapter 8, Section D2](#))
5. **“Contract”** – refers to an agreement, regardless of form, between the College (acting in its own name or through any operating unit/school or agent) and one or more parties, or an instrument delivered by the College to another entity, intended to have binding legal effect. (See [Chapter 6, Section C](#))
6. **“Expenditure Authorities”** – refers collectively to College-designated Budget Executives, Budget Managers and Budget Assistants. These expenditure authorities are employees designated and authorized by the College with limited authority for expenditure and purchasing activities as specified in this Handbook. (See [Chapter 6, Section B](#))
7. **“High-Dollar Value Purchase”** – refers to any non-travel related purchase valued at more than \$1,000, whereby the use of Purchase Card is prohibited, and the creation of a Purchase Order is required.
8. **“Information Technology Security and Privacy Addendum”** – refers to a supplemental document to a contractual agreement whereby the vendor shall provide evidence of certain data

security controls in place that assures compliance with the College’s Information Security and Privacy policies.

9. **“Internal Financial Controls”** – refers to the policies and procedures designed to prevent or detect accounting errors and fraud.
10. **“Low-Dollar Value Purchase** – refers to a non-travel related purchase valued at less than \$1,000, whereby the use of the Purchasing Card is recommended.
11. **“Open (Blanket) Purchase Order”** – An Open “Blanket” Purchase Order is the preferred method of placing orders where multiple releases of goods or services are required over an established period of time.
12. **“Purchase Order”** – refers to the mechanism that places the order with the supplier and is a legally binding agreement. The Purchase Order is an external submission, designed to request the purchase and delivery of a good or service from an external supplier/vendor.
13. **“Purchase Request”** – refers to a request to purchase a good or service after identification of a need for a good or service and the obtaining of competitive quotations, either through the standard quote process or through the competitive bid process. The Purchase Request is an internal submission, designed to gain internal approval for the purchase of a good or service.
14. **“Requisition”** refers to a transaction within the NetSuite system. A Requisition is used when a need has been identified, however the vendor has not been identified. This Requisition goes to Purchasing for selection of vendor and obtaining quotes from selected vendors. The requestor shall provide an estimate of the anticipated cost, if known.
15. **“Request for Information (RFI)”** – refers to a solicitation document used to obtain general information about products, services, and/or suppliers. The purpose of an RFI is to gain familiarity with the current market for a particular good or service and to gather information in a formal, structured, and comparable way. It is a preliminary document, usually sent early in the buying process, with the sole purpose of gathering information about a vendor’s ability to meet a specific need or solve a unique problem. The RFI process may help in the decision-making process by developing a well-conceived solicitation document (RFQ, RFP) and clarifying the competitive requirements. The RFI shall not be used as a source selection method to procure a good or service.

16. **“Request for Proposal (RFP)”** – refers to a document that details a buyer’s requirements and asks the vendor/supplier to provide creative solutions to the request, along with pricing and payment terms.
17. **“Request for Quotation (RFQ)”** – refers to a document that details a buyer’s requirements and asks the vendor/supplier to respond with pricing and payment terms. Within the NetSuite system, a Request for Quotation is a transaction/submittal to the Purchasing Department, requesting pricing for specific goods or services from various potential vendors.
18. **“Scope of Work”** refers to a written document containing detailed description of a job contract. This term usually refers to the section of a contract or agreement where all the tasks and deliverables are explained with the purpose of aligning expectations between both parties.
19. **“Statement of Work (SOW)”**- refers to a legal document that provides a description of a given project’s requirements. It defines the scope of work being provided, project deliverables, timelines, work location, and payment terms and conditions.
20. **“Signature Authorities”** – refers to College employees with delegated authority by the Board of Trustees to sign, negotiate, enter, execute and deliver contracts, promissory notes, financial instruments and any and all other agreements in the name of and on behalf of the College as specified in Board Policy, “BO406 Signatures on Legal and Financial Documents.” (See [Chapter 6, Section C](#))
21. **“Sole Source Supplier”** – refers to only one supplier (source), that to the best of the requester’s knowledge and based on thorough research (i.e., conducting a market survey), is capable of providing the required product or service. It is not to be used to avoid competition.
22. **“Travel Card”** (see College-issued Credit Card, #3 above)

CHAPTER 3: NONDISCRIMINATION

The College’s commitment to nondiscrimination applies to solicitations, bid evaluations, contract awards and other procurement matters under this Handbook.

A. Notice of Nondiscrimination

1. The College is committed to establishing and maintaining a work and education environment free of any form of discrimination or harassment and does not tolerate discrimination or

harassment of or by its employees (including faculty), students, patients or anyone associated with or conducting business with the College.

2. The College prohibits discrimination and harassment in employment, admissions or in educational practices, programs, services or activities on the basis of age, ancestry, citizenship status, color, creed, disability, gender, gender identity, genetics, marital or registered domestic partner status, medical condition, national origin, race, religion, sex, sexual orientation, veteran and military status or other legally protected status.

The College's Equal Opportunity Policy in its entirety may be accessed on the College's website at: [Institutional Policy: Equal Opportunity \(palmer.edu\)](https://www.palmer.edu/about-us/institutional-policy/equal-opportunity)

B. Reporting or Filing a Complaint of Discrimination or Harassment

For more information on how to report or file a Complaint refer to the College's [Equal Opportunity Policy, or Report a Complaint](https://www.palmer.edu/about-us/institutional-policy/equal-opportunity) which may be accessed on the College's website at <https://www.palmer.edu/about-us/office-of-compliance/report-a-complaint/>.

CHAPTER 4: UNIFORM GUIDANCE AND GENERALLY ACCEPTED PRINCIPLES OF PROCUREMENT AND OTHER BEST PRACTICES

In developing and implementing this Handbook, the College reaffirms its commitment to conduct its operations in an effective, efficient, ethical and lawful manner. In so doing, the College complies with applicable law and fosters integrity through the implementation of College-wide procurement standards, the application of generally accepted principles of procurement, and other competitive and current industry best practices including but not limited to the following:

A. Accountability

Effective mechanisms must be in place to enable College leadership to discharge their professional responsibility on issues of procurement risk and expenditure.

Individuals involved in the procurement process are accountable for their actions and decisions. They are required to report procurement activities accurately, including any errors.

B. Competitive Supply

The Purchasing Department is charged with the responsibility of implementing and maintaining an open and competitive process for procuring goods and services and obtaining fair and reasonable prices.

Procurement shall be carried out by competitive process with bids from multiple suppliers except as provided by law or justifiable reason such as a sole-source provider where the good or service is only available from a single vendor.

C. Confidentiality

Individuals participating in the procurement process may have access to information that is confidential and/or legally privileged and protected from disclosure. (See [Confidential Information Policy](#)) Access to such information may require those individuals to sign a confidentiality agreement.

Any questions as to the confidentiality of procurement information or as to the scope of any exceptions should be brought to the attention of the Purchasing Manager or the Purchasing Department.

D. Conflicts of Interest

It is the responsibility of each individual employee and student of the College to avoid actual, potential or perceived conflicts of interest or commitment and to avoid engaging in actions that could result in the College unknowingly entering into a commitment that could result in or be perceived as a conflict of interest.

College employees and students should neither solicit nor accept money, loans, credits, entertainment, favors, services, or gifts from current or prospective suppliers. Such gratuities, even if of seemingly low value, can give rise to a conflict of interest or the appearance of a conflict of interest.

Employees must promptly disclose all actual or potential conflicts of interest as conflicts arise or are identified in accordance with the College's [Conflict of Interest or Commitment Policy](#). Students may report actual or potential conflicts of interest to the Office of Compliance.

E. Consistency

Procurement policies and procedures shall be similar and consistent College-wide.

F. Effectiveness/Efficiency

Procurement practices shall maximize the contribution to the commercial, regulatory and socio-economic goals of the College in a balanced manner appropriate to the procurement requirement.

Procurement processes must be carried out efficiently to help maximize value and avoid delays.

G. Ethics and Integrity

Care must be taken to avoid the intent and appearance of unethical practices in relationships, actions, and communications.

Procurement shall be conducted with the utmost integrity, strive to be perceived as trustworthy, reliable, honest and responsible. Funds must be used for their intended purpose and in the best interest of the College.

H. Fair Dealing

Suppliers shall be treated fairly and all bids assessed objectively, based on how well they meet the College's needs. The College does not discriminate in its business practices on the basis of age, ancestry, citizenship status, color, creed, disability, national origin, race, religion, sex, sexual orientation, gender identity, veteran status or other characteristic protected by law in the state in which the applicable College premise is located.

I. Integration

Procurement decisions will be made with consideration for impact on the College's other strategic, economic and social responsibilities.

J. Informed Decision-Making

Decisions are to be based on the gathering of facts and all sources of accurate information relevant to the decision, interpretation and critical analysis of that information, and the application of knowledge, training and experience.

K. Internal Financial Controls

Internal financial controls refer to the mechanisms (including technology), policies and procedures designed to orderly and efficiently conduct business operations with integrity, promote accountability, comply with applicable law and prevent and detect accounting errors and fraud. The

College's procurement policies and practices are audited and are expected to uphold uniform guidance, generally accepted principles of procurement, industry best practices and applicable law.

L. Legal Compliance

The College complies with applicable federal, state and local laws and regulations, as well as applicable regulations of its accrediting bodies.

As an institution that receives federal financial assistance, the College's purchases comply with Uniform Guidance (2 CFR 200): The Uniform Administrative Requirements, Cost Principles for Educational Institutions, and Audit Requirements for Federal Awards.

M. Responsiveness

The College strives to meet the needs and reasonable expectations of the community served by its procurement activities.

N. Transparency

Relevant information regarding the procurement process is made available to the College community as well as contractors, suppliers, service providers and the public at large, unless there are valid and legal reasons to keep certain information confidential.

O. Value for Money

Procurement shall be carried out efficiently and economically to achieve the most advantageous combination of cost, quality and sustainability. This may include conducting cost-benefit analyses and risk assessments. Low cost does not necessarily equate to greater value; characteristics such as quality and durability also factor into determining whether procurement represents value for money.

CHAPTER 5: FINANCIAL CONTROLS

A. Financial Controls

Financial controls provide reasonable assurance of the effectiveness and efficiency of operations, compliance with laws and regulations, and reliability of financial reporting. As such, the College maintains appropriate internal controls for all aspects of the procurement process including oversight, ordering of goods and services, approval of all expenditures, receipt of goods and services, and reconciliation.

B. Processes and Procedures

Each College department must implement the appropriate processes and procedures to provide for adequate spend and purchase controls in compliance with this Handbook.

C. Checks and Balances

The College's system of internal controls requires separation of duties such that different individuals perform the various functions of the procurement/purchasing process. As such, the College separates among two (2) or more people the duties of each of the purchasing, receipt, and invoice processing steps. Whenever possible, there should be no direct reporting relationship among these individuals.

D. Minimum Approvals

A Purchase Requisition (transaction) requires that the individual approving the Purchase Requisition cannot be the same individual that has submitted such request to purchase the goods or services. (For example, the same individual cannot submit a Purchase Requisition and approve such request for actual purchase.)

No approver is permitted to approve a transaction that pertains to themselves, even if they serve in an approval role (e.g., Budget Executive, Budget Manager, Supervisor, Budget Assistant, etc.) for the administration of this Handbook or maintain the highest level of authority within the department. Approval must be obtained at the next supervisory level.

E. Digital Signatures and Signature Stamps

1. Signature stamps are permitted **ONLY** on duplicate copies of internal College documents. If a stamp is used, the document must also denote that it is a duplicate/copy and that the original document was signed in accordance with this Handbook. Signature stamps are not permitted on original documents used in the administration of this Handbook.
2. Digital signatures are permitted only on the originally produced electronic document and should be secure. Digital signatures must be digitally signed by its originator and contain a digital date and time stamp. Electronic duplicated signatures are prohibited.
3. When acting in delegated authority, designees are to use their own signatures, not the signatures of the individual delegating the authority.

CHAPTER 6: AUTHORITY AND DUTIES OF COLLEGE OFFICIALS

A. Oversight, Review and Internal Control Authorities

1. AUTHORITY AND DUTIES OF THE VICE CHANCELLOR FOR FINANCE

The Board of Trustees has delegated to the Vice Chancellor for Finance the following responsibility:

- a. Oversight, review, development and implementation of internal financial controls as the College's Financial Officer for the procurement functions of the College.
- b. Development and operational responsibility for implementation of institution-wide policies and associated processes and procedures for procurement activities in cooperation with the Office of Compliance that are fully compliant with relevant Board of Trustees policies, this Handbook and applicable laws.
- c. Review and approval of expenditure and budgetary and non-budgetary transactions under this Handbook.
- d. Development and implementation of appointed roles (e.g., Budget Executives, Budget Managers, Budget Assistants, etc.) and the scope of the responsibilities and spending authority of such roles for the administration of this Handbook.
- e. Maintenance of evidence for spend and approval authority and the scope of such authority for appointed roles (e.g., Budget Executives, Budget Managers, Budget Assistants, etc.) for the purpose of administering the functions under this Handbook as well as for those to whom any authority under this Handbook is delegated.

2. AUTHORITY AND DUTIES OF THE SENIOR DIRECTOR FOR FINANCIAL AFFAIRS (CONTROLLER)

The Senior Director of Financial Affairs directs, develops and implements the College's overall budget, financial reporting, and internal control structure to support the College's financial operations and safeguard its assets, and assure compliance with generally accepted accounting principles and governing statutes and regulations.

3. AUTHORITY AND DUTIES OF THE FINANCIAL AFFAIRS DEPARTMENT

The Financial Affairs Department provides support to the College's procurement process including but not limited to:

- a. Review approval threshold requests to ensure compliance with thresholds;
- b. Review the full approval process to ensure proper segregation of duties is maintained;
- c. Review delegation requests to make sure they are reasonable;
- d. Capitalization of College-owned assets; and
- e. Review forms for accuracy and completion.

4. AUTHORITY AND DUTIES OF THE ASSISTANT CONTROLLER

The Assistant Controller assists in the development and implementation of the College's overall financial reporting and internal control structure to support the College's financial operations and safeguard its assets and assure compliance with generally accepted accounting principles and governing statutes and regulations.

5. AUTHORITY AND DUTIES OF THE PURCHASING MANAGER

The Purchasing Manager is responsible for the implementation, management and enforcement of this Handbook including associated processes, procedures and applicable laws.

6. AUTHORITY AND DUTIES OF THE PURCHASING DEPARTMENT

- a. Expenditure and purchasing activities are centrally processed through the Purchasing Department.
- b. The Purchasing Department provides support to the College in the selection, acquisition, use, and disposal of goods and services by:
 - 1) maximizing the College's purchasing power by focusing on strategic sourcing and obtaining the best value;
 - 2) leveraging its expertise in contract negotiations and supplier management to the advantage of the College;
 - 3) implementing and maintaining an open and competitive process for procuring goods and services;
 - 4) streamlining processes and investing in new technologies for efficiency;
 - 5) ensuring that purchases are made in accordance with Board Policy, College policy and applicable law; and
 - 6) minimizing risk exposure while maintaining flexibility in procurement activity.
- c. The Purchasing Department assists in procuring much of the College's high-dollar value purchases (more than \$1,000) such as equipment, materials, supplies, and services; is

responsible for paying the College's bills, travel expenses; and monitors all college expenditures for compliance with applicable laws, regulations, and policies.

B. Expenditure Authorities

1. DESIGNATED EXPENDITURE AUTHORITIES

The College has designated Budget executives, Budget managers, Supervisors, Budget Assistants and the College's Purchasing Manager with expenditure authorities authorized by the College. The limitation of such authority for expenditure and purchasing activities are as specified in this Handbook.

The College distinguishes between "expenditure authorities" who are authorized to approve spending/payment to third parties in accordance with this Handbook and "signatory authorities" who are authorized to approve and sign contract agreements with third parties (See section C regarding Signatory Authorities for Contracts and Agreements). The purchase of products or services that require a written agreement between the College and any third party must be submitted for approval to a signatory authority.

a. Budget Executives and Designees

Budget Executives Approval Authority

Budget Executives, typically Vice Chancellors, are generally those employees who provide executive leadership in strategic planning and execution of College programs and initiatives related to their area of responsibility and work in a collaborative and strategic partnership with other members of the Executive Team. Budget Executives may approve expenditures within the limits specified in this Handbook in their administrative area of responsibility. (See Section B3 Below)

Budget Executives must approve and shall not delegate downward the following responsibilities:

- 1) all expenditure actions (documents) from \$100,000 up to \$250,000,
- 2) all permanent budget actions from \$100,000 up to \$250,000,
- 3) all non-budgeted items arising during any budget year, up to \$250,000
- 4) all actions required by other College policies to be taken by a Budget Executive.

b. Budget Executives' Delegation Authority

Budget Executives may delegate limited authority to Budget Managers, except as listed above or as previously noted. As such, references to Budget Executives throughout this Handbook may also include individuals assigned approval authority or other tasks by Budget Executives.

Budget Executives may delegate limited authority to one or more Budget Managers:

- 1) Within that Budget Executive's administrative area of responsibility;
- 2) Equally or functionally between numerous Budget Managers within that Budget Executive's administrative area of responsibility;
- 3) For spending less than or up to the authorized maximum limit as specified in this Handbook for Budget Managers; and
- 4) For expenditures or budgetary actions not restricted in this Handbook.

c. Budget Managers and Designees

Budget Managers Approval Authority

Budget Managers are generally those employees who manage College functions, programs and/or initiatives (e.g., deans, associate deans, senior directors, directors, department managers) related to their administrative area of responsibility. Budget Managers may approve expenditures within the limits specified in this Handbook in their administrative area of responsibility (See Section B3 Below)

Budget Managers must approve and shall not delegate the following responsibilities:

- 1) all expenditure actions (documents) from \$10,001 to \$99,999 inclusive;
- 2) all budget actions from \$10,001 to \$99,999,
- 3) all actions required by other College policies to be taken by a Budget Manager.

Budget Managers' Delegation Authority

Budget Managers may delegate limited authority to Budget Supervisors, if applicable, and/or Budget Assistants. As such, references to Budget Managers throughout this Handbook may also include individuals assigned approval authority or other tasks by Budget Managers.

Budget Managers must submit “delegation of authority” in writing to Financial Affairs to designate Budget Supervisors and/or Budget Assistants to which spend authority in accordance with this Handbook can be delegated.

Budget Managers may delegate limited authority to one or more Budget Supervisors and/or Budget Assistants:

- 1) Within that Budget Manager’s administrative area of responsibility;
- 2) Equally or functionally between numerous Budget Supervisors or Budget Assistants within that Budget Manager’s administrative area of responsibility;
- 3) For spending less than or up to the authorized maximum limit as specified in this Handbook for Budget Supervisors or Budget Assistants; and
- 4) For expenditures or budgetary actions not restricted in this Handbook.

d. Purchasing Manager’s Approval Authority

The Purchasing Manager may approve expenditures within the limits specified in this Handbook for all areas of the College. (See Section B3 Below)

The Purchasing Manager must approve and shall not delegate the following responsibilities:

- 1) all expenditure actions (documents) up to \$10,000;
- 2) permanent budget actions up to \$10,000;
- 3) all temporary budget actions up to \$10,000; and
- 4) all actions required by other College policies to be taken by a Purchasing Manager.

e. Supervisors

Supervisor’s Approval Authority

Supervisors are generally employees who hold a supervisory job position at the College overseeing employees or operational functions related to their area of responsibility. The Supervisor and the Budget Manager may be the same role if the Budget Assistant reports directly to the Budget Manager.

Supervisors may approve expenditures of Budget Assistants within the limits specified in this Handbook in their supervisory area of responsibility. (See Section B3 Below)

Supervisors must approve and shall not delegate the following responsibilities:

- 1) expenditure and budgetary actions (documents) **UNDER** \$5,000; and
- 2) check requests **UNDER** \$5,000.

Authorization to approve any other expenditure and budgetary actions beyond what is specified in this Handbook must be explicitly assigned to the Supervisor by the Budget Manager.

Supervisors' Delegation Authority

Supervisors may not delegate limited authority to another Supervisor.

Supervisors shall contact the Purchasing Manager for any urgent Purchase Request. The Purchasing Manager will then contact the Budget Manager and/ or Budget Executive for formal, written approval. Upon obtaining such Approval from the Budget Manager or Budget Executive, the Purchasing Manager will Approve such Purchase Request within NetSuite.

f. Budget Assistants

Budget Assistants are generally employees who have demonstrated advanced knowledge of the relevant department's mission and goals, good judgment and decision-making skills, and ability to perform other budget related tasks, as determined and delegated by the accountable Budget Manager or Supervisor. Budget Assistants may be delegated by Supervisors, Budget Managers, or Budget Executives to initiate the purchasing process by entering Purchase Requests, and Requisitions within the NetSuite system. Budget Assistants have no authority to approve any purchase transactions.

2. USER ID'S FOR DELEGATED AUTHORITY

When acting in delegated authority, designees are to use their own UserID's and their own signatures, not the UserID's or signatures of the individual delegating the authority.

3. MAXIMUM APPROVAL LIMITS FOR EXPENDITURE AUTHORITIES

The College has authorized Expenditure Authorities with limited authority for expenditure and purchasing activities as specified in this Handbook. Multiple documents shall not be processed for the same transaction to avoid the limits specified in this Handbook.

POSITION TITLE	MAXIMUM APPROVAL LIMIT
Board of Trustees	For all Non-Budgeted Items >\$250,000, Capital Projects >\$500,000, Property Acquisitions >\$200,000 then Board of Trustees must Approve.
Vice Chancellor for Finance	≥\$250,000
Budget Executive	>\$100,001 but <\$250,000
Budget Manager (As designated by Budget Executive)	>\$5,001 but ≤\$100,000
Purchasing Manager	≤\$10,000
Supervisor (As designated by Budget Manager)	<\$5,000
Budget Assistants (Data entry for purchase requisitions)	No Approval Authority

4. APPROVAL ACKNOWLEDGMENT BY EXPENDITURE AUTHORITIES

Expenditure Authorities shall carefully review each purchasing transaction as well as any required and/or associated documentation (whether electronic or hardcopy) prior to granting approval. Approval of a transaction by a purchasing authority constitutes an acknowledgment and confirmation that such transaction:

- a. complies with the specified categories and authorized expenditure limits;
- b. complies with the requirements for contractual agreements and approvals;
- c. aligns with the mission and goals of the department and College;
- d. align with budget priorities;
- e. has verified funds are available;
- f. demonstrates good stewardship of college resources;
- g. demonstrates the application of generally accepted principles of procurement, and other relevant best practices; and
- h. complies with this Handbook, associated policies and procedures and applicable law.

5. PURCHASE AMOUNTS THAT REQUIRE CONTRACTS

Any purchase amount greater than \$10,000 shall require a contractual agreement to be approved in accordance with this Handbook by the appropriate designated Signatory Authority (refer to Section C) for contracts and other agreements.

C. Signatory Authorities for Contracts and Other Agreements

1. CONTRACTS AND OTHER AGREEMENTS

- a. For purposes of this Handbook a contract is an agreement, regardless of form, between the College (acting in its own name or through any operating unit/school or agent) and one or more parties, or an instrument delivered by the College to another entity, intended to have binding legal effect. A Contract defines the expectations of both Parties and may or may not have monetary value.
- b. Contracts may include, without limitation, letter agreements, memoranda of understanding, letters of intent, offers proposed for acceptance by the College or another party, purchase orders, and renewals or modifications (Amendments or Change Orders) of existing contracts.
- c. Contracts shall also include renewals or modifications of existing contracts, certifications, filings, and other instruments executed (i.e., signed) and delivered in connection with a contract or in connection with any legal or regulatory requirement.

2. AUTHORITY TO NEGOTIATE, SIGN, ENTER, EXECUTE AND DELIVER CONTRACTS AND OTHER AGREEMENTS

The Board of Trustees has delegated signatory authority to negotiate, enter, execute and deliver contracts, promissory notes, financial instruments and any and all other agreements in the name of and on behalf of the College to designated employees whose position and/or names are specified in Board Policy “BO406 Signatures on Legal and Financial Documents”.

These designees include the following College employee positions:

- a. Chancellor;
- b. College Provost; and
- c. Vice Chancellor for Finance.

No one other than the specified individuals above may , sign, enter, execute and deliver contracts, promissory notes, financial instruments or any other agreements in the name of or on behalf of the College without prior approval of the Board of Trustees.

3. APPROVAL ACKNOWLEDGMENT BY SIGNATORY AUTHORITIES

Affixation of a signature on a contract by a Signatory Authority constitutes an acknowledgment and confirmation that the contract:

- a. has been reviewed by the Purchasing Manager and/or Executive Director of Legal Affairs;
- b. aligns with the mission and goals of the department and College;
- c. aligns with budget priorities;
- d. has verified resources (both monetary and non-monetary) are/will be available to fulfill the contract;
- e. demonstrates good stewardship of College resources;
- f. demonstrates the application of generally accepted principles of procurement and other relevant best practices; and
- g. complies with this Handbook, associated policies and procedures and applicable law.

4. UNAUTHORIZED SIGNATURES

The College shall not recognize as binding any promise, obligation, contract, instrument or other agreement signed, negotiated, entered, executed or delivered by unauthorized individuals. Any unauthorized individual who signs a contract or other agreement or attempts to bind the College by any means may be subject to legal and/or disciplinary action up to and including termination of employment or dismissal as a student.

5. REQUIREMENT FOR REVIEW OF CONTRACTS AND OTHER AGREEMENTS PRIOR TO SUBMISSION TO A SIGNATORY AUTHORITY

Any contractual obligation between the College and a vendor must be reviewed and approved by the Manager of Purchasing and/or the Executive Director of Legal Affairs prior to being submitted for signature by a designee of the Board of Trustees.

6. REQUIREMENT FOR REVIEW OF CONTRACT PERFORMANCE AND REPORTING NON-FULLFILLMENT

It is the responsibility of the College departments to:

- a. Comply with the College's obligations under the contract or agreement.
- b. Oversee the supplier's performance and notify Purchasing Department of any significant performance issues.

7. REQUIREMENT FOR REVIEW OF CONTRACT REVISIONS

Revisions to any contractual obligation between the College and a vendor are to be submitted to the Manager of Purchasing. Such revisions must be reviewed and approved by the Manager of Purchasing and/or the Executive Director of Legal Affairs then submitted for signature by a designee of the Board of Trustees.

8. REQUIREMENT FOR REVIEW OF CONTRACT RENEWALS AND EXTENSIONS

Requests for contract renewals or extensions to any contractual obligation between the College and a vendor are to be submitted to the Manager of Purchasing. Such revisions must be reviewed and approved by the Manager of Purchasing and/or the Executive Director of Legal Affairs then submitted for signature by a designee of the Board of Trustees.

CHAPTER 7: SPECIAL, CENTRALIZED, NON-BUDGETED, RESTRICTED, PROHIBITED, AND UNAUTHORIZED PURCHASES

A. SPECIAL PURCHASES AND/OR REQUIREMENTS

1. CAPITAL PURCHASE REQUIREMENTS

Capital assets are real or personal property that have a value greater than or equal to the capitalization threshold established in the Capital Asset Policy and having an estimated useful life of greater than one year. Capital assets are recorded at their historical costs, which include the vendor's invoice, initial installation cost, modifications, attachments, and accessories necessary to make the asset usable. Historical costs include ancillary charges such as freight, site preparation, and professional and legal fees. (See the [Capital Asset Purchase Policy](#))

Contact the Assistant Controller in the Financial Affairs Department for assistance and determination as to whether an asset purchase shall be capitalized.

2. TRAVEL REQUESTS

Travel on behalf of the College for business is to be approved prior to travel from the appropriate supervisor and travel guidelines should be followed. All travel related transactions made by using the College-Issued Credit Card, if issued to traveler, or a personal credit card requires an expense report submitted and approved through SAP Concur. (See [Travel Procedures Manual](#))

3. TAXES

Palmer College of Chiropractic is a 501C3 company and therefore exempt from sales tax in the states of Iowa, Illinois, and Florida. The College is not exempt from sales tax in the State of California. Tax will not be reimbursed, with the exception of the Palmer-West campus.

4. TAX EXEMPT CERTIFICATES

Tax Exempt Certificates may be accessed (Iowa Tax Exempt Certificate, Illinois Tax Exempt Certificate, and Florida Tax Exempt Certificate) in the Financial Affairs area of the Employee portal and should be presented to the vendor/supplier prior to any purchase of goods or services. (See Chapter 12, [Additional Information](#)) For assistance, contact the Manager of Purchasing.

B. CENTRALIZED PURCHASES

1. INFORMATION TECHNOLOGY

a. New and Replacement Information Technology

Information technology purchases (both hardware and software) are assets of the College and not individual departments. To maximize investment in new and replacement information technology, the College proactively plans new and replacement information technology purchases annually. Departments are required to work with/involve IT Department before any decisions regarding the purchase of new or replacement purchases, including but not limited to any cloud-based or SaaS application are made.

b. Information Technology Requiring Access to College Data

All College purchases of information technology or goods and services requiring access to College data are required to have a security addendum as part of the contract; and where required, undergo a privacy and security assessment as well as a risk assessment to ensure compliance with the College's security program and governmental regulations.

Any vendor with direct or indirect access to patient information, student information, or other confidential information ([See Confidential Information Policy](#)) are required to have business agreements with the College to safeguard this information. When a vendor has access to this type of information, the college departments must involve IT Security and the Purchasing Department in the transaction. ([Use of College Electronic Communication Services, HIPAA Security Data Management](#)).

2. FURNITURE AND EQUIPMENT

Furniture and equipment purchases are assets of the College and not individual departments. To maximize investment in new and replacement furniture and equipment, the College proactively plans new and replacement furniture and equipment purchases annually. Departments are required to work with/involve the Facilities Department before any decisions regarding the purchase of new or replacement purchases/decisions are made.

C. NON-BUDGETED PURCHASES

All non-budgeted purchases must receive prior approval from the Sr. Director of Financial Affairs and the appropriate Budget Executive to verify the availability of funds. Approval to implement a strategic initiative or Board directive does not indicate budget approval. All initiatives and directives that require funds that have not been budgeted still require budget approval.

D. RESTRICTED PURCHASES

The College restricts the purchase of certain goods and services. The purchase of certain items or services may require special steps and/or an additional approval from the appropriate responsible office before it can be issued as an official Purchase Order including, but not limited to the following:

1. Printing-related equipment, which unnecessarily duplicates or replaces services provided by the College's service units. The Purchasing Manager, who shall conduct a need determination and, if necessary, develop equipment specifications on which prospective vendors may base quotations, must approve requests for purchase. Printing-related equipment includes presses, photocopiers, typesetting devices, photomechanical transfer machines, and other graphic arts equipment in use by the College's service departments, or which performs a service or creates a product already provided on the campus.
2. Personalized items of printing such as letterheads, noteheads, memorandum sheets, etc. However, College business cards and other printed materials may be purchased from the

College's Print Center or the College's designated Vendor upon requisition by which the ordering department signifies approval of personalized cards or printed materials for persons whose duties require them to represent the College in business and professional matters.

3. Printing and printing-related work, including photocopying.
4. Animals
5. Catering (other than through Aramark)
6. Computer hardware and software-including but not limited to any cloud-based or SaaS application.
7. Purchases such as:
 - Facilities related work
 - Hazardous Materials
 - Leases and housing rentals
 - Radioactive Materials
 - Shredding Services (use only College Strategic Supplier)
 - Items requiring the use of the Palmer College logo (without the prior written approval of the Palmer College's Marketing and Communications Department.
 - Vehicles
8. Alcoholic beverages (except as approved for College approved event)
9. Appliances (refrigerators, microwaves) for individual employee offices
10. Cellular Telephones
11. Disposal of Hazardous Materials

E. PROHIBITED PURCHASES

The College prohibits the purchase of certain goods and services.

1. Personal purchases – items purchased for non-business, personal use such as desk pen sets, etc.,

2. Luxury items – items in which a more elaborate design or appointment has no practical advantage over a less elaborate and more economical item.
3. Controlled Substances - Many of the narcotics, depressants, and stimulants manufactured for legitimate medical use are subject to abuse and have, therefore, been brought under legal control. Under federal law, all businesses that import, export, manufacture, or distribute controlled substances; all health professionals licensed to dispense, administer, or prescribe them; and all pharmacies authorized to fill prescriptions must register with the DEA.
4. Purchase of Radioactive Isotopes, Explosives, Tobacco & Firearms.

F. UNAUTHORIZED PURCHASES

Individuals who become aware of unauthorized purchases are to report such purchases to the relevant supervisor or the Manager of Purchasing. The College will assume no liability for the payment of unauthorized purchases. Purchases that do not comply with this Handbook may result in discipline up to and including termination, as well as liability for payment of the purchase.

G. UNCERTAINTY REGARDING PROHIBITED AND RESTRICTED PURCHASES

Individuals covered under this policy are expected to make a reasonable effort to determine whether their intended purchase of goods or services is prohibited or restricted. When uncertain about whether or not goods or services are prohibited or restricted, the Manager of Purchasing should be contacted for guidance **before** the purchase is made.

CHAPTER 8: PURCHASING AND APPROVAL PROCESS

Below is an outline of the appropriate steps to take each time a purchase is made. While the Purchasing Department involvement is required in some of these steps, its staff can assist with any and all steps.

A. STEP 1: DETERMINE NEED

The first step in the purchasing process is to determine the need. To assist in determining the need, it is strongly recommended that a Statement of Work/Scope of Work be completed and submitted to the department supervisor and/or appropriate expenditure authority. For purchases over \$1001, a Statement of Work, which shall include the Scope of Work is required to be completed and submitted to the department supervisor and/or appropriate expenditure authority, as well as to the Purchasing Manager

Purchasers must secure approval from the appropriate department supervisor and the appropriate expenditure authority, if different than the department supervisor. (See [Chapter 6, B](#))

B. STEP 2: PURCHASING TRANSACTIONS AND THE DETERMINATION OF METHOD OF PAYMENT

1. PURCHASES VALUED UNDER \$1,000 – No Purchase Order Required

- a. The College-Issued Credit Card shall be used for 1) Low-Dollar Value purchases (under \$1,000) such as goods or services through authorized vendor's website (excluding Staples, Amazon, and Grainger) and 2) purchases for travel, conferences/seminars, training expenses, entertainment. Staples, Amazon, and Grainger shall be ordered by authorized personnel using the College's established account.
- b. Employees entrusted with a College-Issued Credit Card should select the best combination of price, quality, delivery, and service to meet their specific needs. The cardholder is accountable for all purchases made on his or her card and must keep all required receipts. Cardholder must expense Purchase Card transactions monthly in Concur and secure appropriate college department approval(s).
- c. Please review the Palmer College-Issued Credit Card Policy and Procedures for guidance regarding Credit Card purchases (See [College-Issued Credit Card Policy and Procedures](#)).
- d. The Cardholder should contact the Manager of Purchasing as needs arise or are identified for 1) purchases to any one supplier or for any one good or service for \$1,001 or more (except travel related purchases); 2) more than \$5,000 in purchases of any good or service in one year; or 3) more than six (6) purchases of any good or service in a year. The Manager of Purchasing will assist the cardholder in determining if another purchasing payment method or process is more appropriate.
- e. The College's expense reimbursement process allows employees who have spent their own money for necessary business-related expenses to be reimbursed through Concur, provided proper documentation is included with expense report. A valid receipt for each expensed transaction is required to be submitted.

2. PURCHASES VALUED BETWEEN \$1,001-24,999

- a. The Department is encouraged to engage the Manager of Purchasing upon identification of a demand or need for the procurement of any good or service valued at \$1,000 or greater to assist in the recommended process of obtaining at least three (3) quotes and/or contract negotiations. The Budget Assistant shall submit a Request for Quotation within the NetSuite System to provide Purchasing Department with the scope of goods or services that are requested.
- b. If a Request for Quotation is not submitted within NetSuite system, the Budget Assistant shall complete the Purchase Requisition and submit for approval by Supervisor and Purchasing Manager. Copies of the three (3) quotes and any financial analysis should be uploaded into the NetSuite system with the Purchase Requisition prior to submission for approval. Upon approval within NetSuite by proper authority, the Purchase Order will be created and submitted directly to the Vendor. If a Request for Quotation is submitted, the Vendors will submit their quotations directly within NetSuite's Vendor Center, which can be converted directly to a Requisition and submitted for approval. The Budget Assistant is responsible for notifying the Manager of Purchasing that the goods and/or services have been received and inspected. The Manager of Purchasing is responsible for receiving such goods and services within the NetSuite system. Upon receipt of the invoice from the Vendor, the invoice will be compared to the Purchase Order, if invoice matches the Purchase Order, the Accounts Payable Department will approve the invoice for payment in accordance with the terms and conditions of the Purchase Order and the appropriate method of payment.

3. PURCHASES GREATER THAN OR EQUAL TO \$25,000

- a. The Department is required to engage the Manager of Purchasing upon identification of a demand or need for the procurement of any good or service valued at \$25,000 or greater to assist in the competitive bid process and contract negotiations.
- b. The procurement of any good or service valued at \$25,000 or greater must be competitively bid unless contracts are in existence, or the user can provide written justification for directing the order to a single/sole source. If the products are unique and cannot be supplied by any other vendor, the sole source justification shall be included with the completed and approved purchase requisition.

4. REIMBURSEMENT (Check Request)

The Authorization for Payment (formerly known as a Check Request) is a method of payment to be used for centrally used functions (i.e. insurance, utilities, and any standalone invoice) and for reimbursements to guests and students who are unable to utilize Concur.

C. STEP 3: IDENTIFICATION OF POTENTIAL SOURCES

1. BROAD SEARCH

The College requires and encourages competition among suppliers in providing goods and services to the College. Competition provides the best opportunity for the College to procure goods and services at the best value. Accordingly, those involved in the supplier selection process have the responsibility to search broadly and completely for viable suppliers.

2. CONSIDERATIONS FOR SELECTION

When selecting sources, the following attributes should be considered:

- a. demonstrated ability to successfully perform the service or supply the goods needed;
- b. years of experience;
- c. product/service quality;
- d. product/service readiness/availability;
- e. willingness to abide by the terms and conditions of the College;
- f. demonstrated reputation for integrity;
- g. agreement to compliance with policies and applicable law;
- h. record of successful past performance (references);
- i. demonstrated excellent customer service and support; and
- j. financial and technical resources.

3. TYPES OF SOURCES

Sources for goods and services should be considered in the following order:

a. Auxiliary Service Supplier

An Auxiliary Service Provider is an Internal Service Provider or College department that provides goods and/or services to another College department.

Example: Xerox Corporation (print center) or Aramark Corporation (catering)

b. Preferred Supplier or Existing Supplier with a Strategic Contract

Strategic Contracts are contracts with suppliers that have been through a competitive process and the terms have been secured at the best value and available for authorized users' college wide.

These suppliers provide goods and services with favorable terms for pricing, delivery, and other factors and thus are the Preferred Supplier for purchasing goods and/or services from external entities. The Manager of Purchasing should be contacted in advance of placing large volume orders with Preferred Suppliers, as the orders may be eligible for additional discounts.

Example: Staples Corporation (office supplies and cleaning supplies)

c. Other Suppliers

When neither of the aforementioned sources offers the goods and/or services that are required, the Manager of Purchasing should be contacted to identify other suppliers. The Manager of Purchasing may negotiate and establish a department-level contract where either the department will make repetitive purchase of the goods and/or service from the same supplier over a period of time or a contract is necessary to adequately define the goods and/or services to be provided.

d. Sole Source Supplier

The state and federal governments, or granting agencies, and other stakeholders expect the College to make purchases in an open and competitive environment to ensure that the College receives fair and reasonable pricing.

Because a sole source process does not include a survey of the marketplace nor competition among suppliers, it makes it difficult for the College to meet these expectations. Despite these drawbacks, there are situations in which a sole source process is in the best interest of the College:

- 1) If only one supplier provides the good or service.
- 2) If an emergency purchase is necessary to avoid or mitigate a significantly disruptive event.

In both cases, the College department must complete the Sole Source Justification form and submit first to the Manager of Purchasing to approve the purchase. Completion of the form does not guarantee that the Manager of Purchasing will approve the request. Goods or

services available from more than one supplier are subject to the competitive bid process described herein.

The college department must not create or attempt to create sole source situations through delay or other manipulation of the purchasing process. The Manager of Purchasing will work with college departments to determine whether a sole source situation exists and, in such cases, reserves the right to negotiate pricing or solicit information (See [Single/Sole Source Justification Documentation/Form](#)).

e. New Source

If during the process of identifying the source from which to procure a good or service, a new supplier is identified as the best source, the supplier must provide the Manager of Purchasing with a completed PCC- New Vendor Application Form. In addition, the supplier must provide a current W-9 before any college department may place an order with a supplier. The Manager of Purchasing or delegate will create a New Vendor in the College's system and notify the college department of availability. Supplier and the college departments may request the creation, update, or inactivation of a supplier record to the Manager of Purchasing. (See [PCC-New Vendor Application Form](#))

4. PROHIBITED VENDORS

Vendors who will not accept the College's terms, conditions and methods of payment are prohibited.

D. STEP 4: COLLECT QUOTES AND SELECT BEST VALUE

1. MINIMUM SOURCES (For Transactions less than \$25,000)

- a.** It is generally good practice to price transactions and collect quotes from a variety of sources before selecting one. For purchases under \$25,000, department end users should obtain pricing from a minimum of three (3) potential suppliers before preparing a purchase requisition and order with the selected source.

- b.** The lowest price may not always be the best value or the lowest total landed cost. College departments should consider the total cost of ownership (total landed cost), which includes the purchase price and costs such as transportation/freight cost, handling, inspection, quality, rework, maintenance, disposal, and other associated costs.

- c. The Manager of Purchasing shall work with the college department to identify suppliers for specific needs and can assist in obtaining required quotations, where the formal competitive bid process is not required. However, College departments may request the Manager of Purchasing assist in conducting a competitive bid process.

2. COMPETITIVE BID PROCESS (Required for Transactions greater than or equal to \$25,000)

a. Requirement to Conduct the Competitive Bid Process

The College requires all transactions \$25,000 and greater (including one-time purchases) be competitively bid in the marketplace. Competitive bidding is the process that allows the College to properly survey the marketplace and secure the goods and services at fair and reasonable prices. It helps to ensure the College receives goods and services of the best value while also satisfying federal, state, and college requirements.

Splitting a transaction into smaller dollar amounts, delaying, staggering purchases, and using multiple employees to purchase the same or related items to avoid the competitive bid process is prohibited.

All transactions found in violation of the College’s requirement for the competitive bid process will be reported to the Vice Chancellor for Finance as unauthorized purchases.

b. Conducting the Competitive Bid Process

The Purchasing Department is authorized to conduct the competitive bid process. Although the Purchasing Department conducts the competitive bid process, College departments have responsibilities as well, such as identification of requirements, development of a list of potential vendors, and drafting of the Scope of Work document. Upon request, the Manager of Purchasing will assist College departments with any of their responsibilities related to the competitive bid process.

c. Exemptions to the Competitive Bid Process

1. Auxiliary Services

On-going purchase of goods or services bought from Auxiliary Services Providers are exempt from the competitive bid process since the transactions are internal to the College.

2. Preferred Suppliers

Because the Purchasing department has already completed a competitive analysis for suppliers defined as Preferred Suppliers or those under contract with the College, it is not necessary to hold another competitive bid process for purchases from those contracts.

3. Associations and Consortiums

The College has entered into agreements with various associations and/or consortiums designed to assist the Higher Education industry with the consolidated purchases of goods and services. Because these associations and/or consortiums have engaged in obtaining competitive bids and have negotiated contractual agreements on behalf of each member of the association and/ or consortium, any good or services purchased through such association and/or consortium it is not necessary to hold another competitive bid process. Contact Manager of Purchasing for more information.

3. COMPETITIVE BID PROCESS FLOW

a. SUBMIT SPECIFICATIONS-Preparation and Requirements

The College department must outline and submit to the Manager of Purchasing the detailed specifications, performance standards, and/or scope of work of the goods or services needed. These items should be generic in nature to allow for sufficient competition in meeting them; they should neither reference nor be written specific to a particular brand, model, or company. If a supplier's assistance is required to develop the bid specifications, that supplier cannot submit a bid without approval from the Manager of Purchasing and all materials gathered or prepared must be shared with all potential bidders.

b. SOLICIT BIDS-Issuing and Management

Informed by the specifications provided by the College department, the Manager of Purchasing develops and issues a Request for Quotation (RFQ), Request for Proposal (RFP), or Request for Information (RFI) to solicit bids from suppliers. Each supplier receives the same directions, information, terms, and conditions. Where the competitive bid process is required, the Manager of Purchasing shall only consider valid those submissions from suppliers that meet the bid requirements and are sent to the Manager of Purchasing by the specified deadline.

c. EVALUATE PROPOSALS-Scoring and Selection

The Manager of Purchasing, working directly with the College department, will assess each proposal to determine which represents the best value to the College. An open and

competitive purchasing environment requires that information related to the bidding process be kept confidential; the College's employees must conduct themselves ethically, as described above, at all times. No College employee should contact the supplier directly to discuss this competitive bid process or the current bid project without the approval of the Manager of Purchasing. Suppliers must contact the Manager of Purchasing to obtain bid results.

**d. NEGOTIATION OF THE AGREEMENT AND AWARDED THE CONTRACT-
Closing and Contracting**

The Purchasing department is the only College department with the authority to negotiate procurement contracts. Department end users are not authorized to sign contracts; only those individuals delegated such authority by the Board of Trustees may do so. (See [Chapter 6 Section C](#))

e. PLACE THE PURCHASE ORDER

- 1) A Purchase Order is prepared from a Purchase Requisition when the supplier requires a Purchase Order to be issued or the value of the purchase is greater than \$1,000. The Purchase Order is the mechanism that places the order with the supplier and provides a method for payment of the invoice. The goods and services should not be obtained prior to the supplier receiving the Purchase Order. The Purchase Order is submitted to the supplier from the Purchasing Department. This process is used to cover all types of purchases regardless of the dollar amount. Because the Purchase Orders offer the college the best legal and financial protections, they are the preferred method of ordering goods and services valued at \$1,000 or greater.
- 2) An Open "Blanket" Purchase Order can be used on supplies or services from the same supplier on a recurring basis (each fiscal year). Common uses of the Open "Blanket" Purchase Order include bottled water, lawn care, utilities, and lease agreements. Once the Purchase Requisition is signed by the appropriate approvers, the Purchasing Department can issue an Open "Blanket" Purchase Order. When an invoice is received the Purchase Order number and a single signature verifying that the good or service was received will be needed.

E. STEP 5: COMPLETE A PURCHASE REQUISITION

Upon the determination that the purchase of a good or service is required, and the College department has obtained the minimum number of required quotes, the College department (Budget

Assistant) shall complete a Purchase Requisition within the NetSuite system. The Purchase Requisition shall be submitted for Approval within the NetSuite system.

A purchase requisition must include the following information:

1. Requestor's name and contact information;
2. Vendor name, including address, telephone number and email address;
3. Account number of the college department to which the good or service is to be charged;
4. Description of the work, action, or item to be purchased;
5. Cost of the good and/or services; and
Note: All equipment (capitalized) purchases (Account -70XXX) must be reviewed by the Assistant Controller and have pre-approval from the Sr. Director of Financial Affairs.
6. Supporting documentation.

All suppliers must provide W-9 information and complete a new vendor application form, before purchasing any goods or services from such vendor.

F. STEP 6: PURCHASE ORDER

Upon submission and Approval of a Purchase Requisition, the NetSuite system will create a Purchase Order and submit such purchase order to the vendor. This Purchase Order is a formal obligation placed upon the College for the payment of the requested goods or services.

The purchase order, the receipt of goods or services, and the vendor invoice constitutes a three (3)-way match. No goods or services should be received prior to the supplier receiving the purchase order. The order quantities, pricing and payment terms on the purchase order should be established in the same way as the supplier will invoice.

CHAPTER 9: RECEIPT OF GOODS OR SERVICES

Upon receiving such goods, the College department should immediately inspect the shipment to be sure that it is correct, complete, and not damaged. All services should be reviewed prior to final acceptance.

- A. If there are any order-related problems, including discrepancy in pricing or amount, incorrect or missing items, etc. the supplier should be contacted immediately. A packing slip with a signature of the person (s) that received and inspected the product should be maintained as proof of delivery.

- B. If the goods are damaged, save all materials and the shipper should be contacted to come and inspect the items. A damaged freight claim must be filed with the shipper.
- C. If either of these situations arise or if there are delivery or performance issues, contact the Purchasing Department immediately, before the payment terms expire to request a hold on payment. Once an invoice is paid, the Purchasing Department's ability to aid in resolving disputes is greatly diminished.
- D. The College department is responsible for returning items that need to be returned and for verifying that the proper credit, if needed, is made to the proper account.

CHAPTER 10: INVOICING AND PAYMENT

Persons authorized to procure goods and services shall not approve those transactions or be connected to the payment of those transactions.

Accounts Payable is responsible for the processing the payment of goods and services to suppliers in compliance with the College's policies and standard processes, external regulations, and legal requirements. It is standard process for the suppliers to send invoices directly to the Accounts Payable Department. Suppliers that send invoices directly to the College departments may experience delays in payment. If a College department receives an invoice, the Budget Assistant shall create a Purchase Request, scan and upload the invoice to the Purchase Request and submit Purchase Request for approval.

CHAPTER 11: RECORDKEEPING

A. RECORDS RETENTION

The College will retain records under this Handbook for at least four (4) years or longer as may be required by the College's Records Retention Policy (see [Additional Information, Chapter 12](#)) and applicable law.

B. RECORDS

Records under this Handbook include all documents and every event relevant to the procurement process. This is important in order to maintain an audit trail from the initial receipt of the Purchase Requisition to the closing out of the contract. It should be possible to reconstruct the entire procurement process from these records.

C. RECORDS CUSTODIAN

Procurement records shall be maintained by the Purchasing Manager. While the Purchasing Manager is responsible for maintaining official procurement records on behalf the College, it is strongly recommended that the responsible expenditure and signatory authorities also maintain working copies of relevant documents. Relevant purchasing documents and invoices should be uploaded and stored within NetSuite.

D. ADDITIONAL DOCUMENTATION

These records do not limit the College in the future from detailing additional measures taken to document the College's procurement process.

CHAPTER 12: ADDITIONAL INFORMATION

This policy is supplemented by provisions that are applicable to all institutional policies, as well as additional associated policies and procedures. It is the responsibility of all employees and students to know and comply with all relevant policies and procedures.

ASSOCIATED POLICIES, PROCESSES AND/OR PROCEDURES

This Policy is supplemented below. It is the responsibility of all employees and students to know and comply with policies and procedures as supplemented.

POLICIES

- > [Standard Provisions Applicable to All Institutional Policies](#)
- > [Capital Purchase Policy](#)
- > [Confidential Information Policy](#)
- > [Conflicts of Interest or Commitment](#)
- > [Equal Opportunity Policy](#)
- > College-Issued Credit Card Policy
- > [Record Retention and Disposal of College Records Policy](#)
- > [Use of College Electronic Communication Services](#)

- > [HIPAA Security Data Management](#)

PROCESSES AND/OR PROCEDURES

- > [Travel Procedures Manual](#)

FORMS/INSTRUCTIONS

- > [Iowa Tax Exempt Certificate](#)
- > [Illinois Tax Exempt Certificate](#)
- > [Florida Tax Exempt Certificate](#)
- > Single/Sole Source Justification Form (Contact Purchasing Manager)
- > New Vendor Application Form (Contact Purchasing Manager)

CONTACTS

- > Craig Benson, Purchasing Manager
Purchasing Department
1000 Brady Street
Davenport, IA 52803
(563) 884-5670

RELATED INFORMATION

- > N/A

HISTORY

Adopted: February 8, 2023

Responsible Officer:Jennifer Randazzo, M.A.S., C.P.A.
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