

Introduction

We are the Purchasing, Contracting and Accounts Payable Offices of the Administrative Services Division of the University. The Purchasing and Contracting Offices are responsible for the procurement of commodities and services. The Accounts Payable Office is responsible for audit and payment of travel expense vouchers and invoices.

Your department secretary is the key person who can assist you with forms and how to do things. However, if you need additional information or a helping hand please contact the following offices in Old Main:

Commodities/Services/Office Equipment Repair

Purchasing Office, Room 207, Extension 1386
Office Hours: 8:00 AM – Noon and 1:00 PM – 4:30 PM

Travel/Invoices

Accounts Payable Office, Room 209, Extension 1157
Office Hours: 8:00 AM – Noon and 1:00 PM – 4:30 PM

SAP Help Desk

For Assistance with Funds Management - Extension 3456
For Assistance with Materials Management - Extension 3138
For Assistance with Technical Problems - Extension 3499

What Are Our Policies?

Authority

The President is empowered to make all necessary purchases to conduct the daily operations of the University. The President has delegated procurement responsibility to the Vice President for Administration and Finance. In turn, functional authority has been vested with the Associate Vice President for Administration and Finance. At each regular public meeting of the Council of Trustees, a list of all purchases over \$10,000 is presented to the Council for review and approval.

You may find that Shippensburg University's procurement policies and procedures are more restrictive than where you were previously employed; this is because the University is an instrumentality of the Commonwealth of Pennsylvania and thus must conform to various state laws and regulations.

Vendors

The Purchasing and Contracting Office will actively search for and develop business relationships with responsible vendors. Goods and services will be solicited from vendors throughout the United States, except in special cases that require preference for Pennsylvania suppliers. Local vendors will be given full consideration in all university purchasing activity. In addition the Purchasing and Contracting Office will actively pursue minority and women vendors with whom to do business. In all cases, the Purchasing and Contracting Office acts as the official liaison between the business community and the university.

Campus Visitation for Vendors

Vendor representatives may make sales calls on departments by invitation or be referred by the Purchasing or Contracting Office. Whenever possible, appointments should be scheduled. After visiting the department, representatives must schedule an informative appointment with the appropriate purchasing or contracting personnel. Only the Purchasing or Contracting Office may issue purchase orders or contracts or sign agreements on behalf of the university.

Competitive Bidding

It is university policy that all purchases be made in a manner which maximizes the value received for the amount expended. Competitive bids may be solicited in accordance with the following:

\$500.01 - \$10,000.00

If the estimated cost for a single item or a related series of items or services is between \$500.01 and \$10,000.00, a bid procedure is optional. Purchasing and Contracting personnel will solicit bids if determined to be in the best interest of the University.

\$10,000.01 or Above

If the estimated cost of a single item, or a related series of items, or services has a dollar value of \$10,000.01 or greater, the Purchasing and Contracting Office will issue a public notice of the bid and a minimum of three written bids will be solicited. These bids must be solicited by the purchasing and contracting staff and are subject to formal bid opening procedures. Bidders, university employees, and the public may attend the bid opening.

Exceptions

The only exceptions to competitive bidding practices are those items available from Commonwealth Warehouse, Commonwealth Contracts, and Pennsylvania Institute for the Blind and Handicapped (PIBH), which have been granted special status subject to government regulations.

Sole Source

Be extremely cautious about requesting "sole source" vendors. A detailed justification must be submitted with your request for a "sole source" purchase and approved by University legal counsel in advance of an executed contract. A sole source implies that there is only one person or company that can provide the contractual services needed and that any attempt to obtain bids would result in that one person or company being the only available one to meet the need. The Office of the

Attorney General has asked, "How do you know this vendor is the sole source?" and "What specific steps did you take to determine that this is a sole-source vendor?" The best way to demonstrate sole source is to contact other apparently capable vendors, and ascertain that they cannot bid.

Emergency

Emergency procurements are permissible when the President, or his designated delegates, determines that a threat to public health, safety and welfare or circumstances outside the control of the University creates an urgency of need which necessitates the suspension of normal bidding requirements. University Legal Counsel's review and approval of the procurement is also required prior to award of the contract or purchase order.

Awards

Awards shall be made to the lowest responsible bidder who meets or exceeds the specifications. In instances where the low bidder may not be responsible, or that it is in the best interest of the university to make the award to other than the low bidder, legal counsel will be consulted prior to making the award.

Purchase Orders/Contracts

After a vendor has been selected, the Purchasing or Contracting Office will prepare and issue an appropriate purchasing document. These legal documents are issued only by the Purchasing or Contracting Office. Those university employees who make contractual obligations with outside sources without Purchasing or Contracting Office participation may be held monetarily or personally liable for their actions.

Travel

The Accounts Payable Office follows travel regulations set forth by the State System of Higher Education and the Commonwealth of Pennsylvania. All employees traveling on behalf of the university must have their travel and/or registration approved in advance. Your departmental secretary has a

supply of forms and can help you with your paperwork and answer most policy and procedure questions.

What Are Our Procedures?

Purchase Request

All requests for commodities and services must be initiated by the requesting office via the University's financial system, SAP, specifically a ME51N transaction. Instructions for the entry of this transaction are available in the SAP Manual and from the Purchasing and Contracting Office. In most cases, your departmental secretary will enter this information into the financial system for you. The requestor should work cooperatively with the departmental secretary regarding purchasing and contracting policies. Accurate specifications for the desired commodities or services should detail minimum requirements necessary to meet the performance standards of the requested item(s). The Purchasing and Contracting Offices can provide assistance and guidance in the form of catalogs, suppliers, Commonwealth specifications, and campus resource personnel.

To purchase certain items, consultation and review is required by the following personnel:

1. Computer Equipment – VP for Information Technology and Services
2. Audio Visual Equipment – Director of Media Services
3. Printing – Director of Publications/Advertising

Contracts for Services

When requesting services, requests should contain all details available pertaining to the service requested. Information pertaining to the vendor should include name, address, phone number and Federal I.D. number or Social Security number. Information pertaining to the service to be rendered should include type of service being rendered, date, time and place of service. If a check is needed for a speaker on the date of service please request that on your purchase requisition (ME51N transaction), in the header section. Travel expense reimbursement to vendors is to be done according to the Commonwealth's rules in place at the time of their contract, exceptions will have to be justified in writing and subject to

approval in advance of the services being rendered. Any contracts, agreements or written information received from a vendor should be forwarded to the Contracting Office for their files.

The processing time required for services is as follows:

For services \$1,500.00 and under – Four (4) weeks processing time is required.

For services \$1,500.00 and over – Eight (8) weeks processing time is required to allow approval of the contract by University Legal Counsel, the Office of the Attorney General and in some cases, the Office of the General Counsel.

The Contractor **CANNOT** start performance of the services until the contract is fully executed.

Emergency Procurements

When a legitimate emergency for a commodity or service occurs, please contact the Purchasing and Contracting Office immediately with the details, so a written determination of the emergency can be processed. A purchase requisition must be entered into the financial system (transaction ME51N). At least two bids will be obtained when possible and the emergency certification will be written and approved by University Legal Counsel.

After-the-Fact Requests

After-the-fact requests **SHOULD NOT** occur. Any transaction involving payment by the university requires following the procedures set forth in this handbook.

Return Goods

Commodities received in damaged or defective condition must be reported to the Central Receiving Warehouse within three to five working days of receipt.

Commodities received, but ordered in error by the requesting department, will be returned for credit only when the value exceeds \$100.00.

Grant Procurements

Supplies, services, furnishings and equipment for grant programs will be procured following normal university purchasing and contracting policies. The procedures vary slightly from departmental purchasing. All procurement documents will be countersigned by the grant coordinator and forwarded to the Grant Accounting Office, Room 112, Old Main, Ext. 1106. Care must be exercised to ensure all documents are identified with the grant cost center number, budget categories, and objects. Expenditures must be for items approved in the grant budget. The Grant Accounting Office will forward the expenditure request to the Institute for Public Service, Room 216, Horton Hall, Ext. 1251.

The purchase requisition (ME51N transaction) will be entered into the university's purchasing system. Additional details concerning grant administration is provided in the Grant Application Handbook which is available through the institute.

Petty Cash

A petty cash system has been implemented to reduce the administrative cost associated with the processing of small requirements. To provide flexibility and convenience, authorized university employees may procure educational, office and maintenance supplies to a maximum of \$300.00 per occasion. These goods may be used for official university business only. For reimbursement, authorized employees must use personal funds to pay for the merchandise, obtain a paid receipt from merchant, and process a completed petty cash fund reimbursement form within 30 working days of the purchase. The form and instructions are available in the Purchasing Office or see your departmental secretary. Authorized employees will not be reimbursed for sales tax. "Sales and Use Tax Exemption Forms" are available from the Purchasing and Contracting Office, located in OM 207.

The submission of several petty cash requests in order to improperly avoid the \$300.00 limit are prohibited.

The following items SHALL NOT be reimbursed through the Petty Cash System:

Meals	Sales Tax
Travel Reimbursements	Alcoholic Beverages

Central Supply items
Services
Telephone Toll Calls
Postage

Memberships
Subscriptions
Personal Items
Printing or Duplication

Procurement Card

To obtain a procurement card, contact the Purchasing and Contracting Office at extension 3138. Training is required prior to receiving or using a procurement card. All procurement card guidelines must be followed. The transaction limit for purchasing cards is \$1,000.00 per transaction, and the monthly limit is \$5,000.00.

Requests for Consultant/Guest Speaker

Requests for consultant/guest speaker services are made through the departmental secretary to the appropriate dean. The dean's secretary is responsible for entering the ME51N transaction on the financial system. Because the process becomes more complex for consultant/guest speaker services exceeding \$10,000, the department must furnish additional detailed specifications. Additional information is available from the Contracting office.

Lodging/Meals for Candidates

Before the candidate arrives on-campus, complete the form **Request for Approval for Reimbursement of Travel Expenses for Candidates for Faculty and Administrative Positions** and forward to Jill Turner in the Provost's Office.

- Transportation Cost – **Maximum of \$750 per candidate**, which includes \$500 for transportation costs (includes plane, train, rental car, taxi, limo, and/or mileage) and \$250 for incidentals (includes tolls, parking, meals and airport hotels). The candidate will be responsible for any dollar amount over the above mentioned guidelines OR if a college dean grants permission to exceed this amount for a candidate, the dean will then be responsible for the difference.
- The candidates should make their own arrangements for airline or train tickets.
- Lodging – Please fill out the **“Request for Overnight Accommodations for Candidates** form and send to Jill Turner, Provost's Office for approval.

- Meals while candidate is on campus.
If candidate is staying at Shippen Place, they may charge their meals to their room. They also offer a continental breakfast and one university host may join the candidate.

Candidates should be taken to the dining hall for meals whenever possible. Meal cards are available from Student Affairs Office, x1308.

If the candidate is taken off campus for dinner (and they are not staying at Shippen Place), the candidate pays for their meal and is reimbursed through the travel expense voucher (receipt required). Faculty hosts will not receive reimbursement for meals nor will faculty be reimbursed for paying for candidate's meal.

- On the day of the interview have candidate sign the travel expense voucher.
- Send completed voucher to Jill Turner in the Provost's Office.

The forms listed above are on the SU home page under the Provost's Office or you can find them in the Handbook of Search Procedures which is distributed by the Society Equity Office.

Service on Department Equipment

You, or in most cases, your departmental secretary, must report requests for office equipment repairs to the Purchasing Office. If a maintenance contract exists, the Purchasing Office will report the repair to the appropriate vendor. Repairs to equipment or parts not covered by a maintenance agreement will be funded by the using department, by entering a service purchase requisition in SAP (transaction ME51N).

Requests for repairs on personal computers, terminals, printers, etc., should be telephoned to the Computer Center at Ext. 1421. If it is determined that the equipment cannot be serviced by the Computer Center staff, the Computer Center will report the repair requirement to the appropriate contractor.

Institutional Memberships

Departments requesting an institutional membership renewal should enter a funds reservation on the University's SAP financial system (transaction FMX1), then submit an approved invoice, with the funds reservation number annotated on the invoice directly to the Accounts Payable Office. Requests for new institutional memberships should be approved by the appropriate dean or vice president.

What Are Our Travel Procedures?

Prior to travel, university employees should forward a completed travel request form through proper channels. See your departmental secretary to obtain forms and to assist you in completing them. An electronic form is available at S:\Accounts Payable\Travel\BLANK TRAVEL REQUEST-ELECTRONIC. A funds reservation (transaction FMX1) must be entered on the University's SAP system to encumber the funds. The funds reservation number must be entered on the Travel Request Form and the Travel Expense Voucher, which will be completed after the travel occurs. Upon return to campus, the traveler may receive reimbursement for travel expenses by submitting a Travel Expense Voucher. An electronic form is available at S:\Accounts Payable\Travel\BLANK TRAVEL EXPENSE VOUCHER-ELECTRONIC. Reimbursable expenses include meals, lodging, registration, airfare, mileage, and miscellaneous charges such as parking, tolls, taxis, and airport limousine service.

State cars may be available and may be reserved by calling the Central Stores Warehouse at Ext. 1622. Mileage rates for personal autos are set by the Commonwealth. Meal allowances vary according to bargaining unit agreements and change periodically. Meal allowances and lodging vary depending upon the location and the status of overnight travel. Lodging allowances may be exceeded by providing a justification on the Travel Expense Voucher. Travel instructions and a list of higher cost areas, rates and allowances are available from the Accounts Payable Office at extension 1157.

A travel advance is available in some cases, depending on the cost of the trip, etc. according to the travel regulations. When an advance is received, the travel must be settled (completion of a travel expense voucher) within 20 days upon return.

Failure to comply with this regulation will result in no additional travel advances until the account is settled.

A hotel order is available to be used for hotels/motels in Pennsylvania. Request for a hotel order is completed on the travel request form. (Be sure to check with the hotel, before requesting a hotel order, and verify that they accept state hotel orders before making reservations). It is not mandatory that a hotel order be used. **Personal credit cards may be used for travel expenses.** (Do **NOT** use a university purchasing card.) If traveler is using a hotel order, two copies of the hotel order and a copy of the hotel invoice/receipt must be attached to the travel expense voucher upon completion of the trip.

A transportation order is available to be used when reserving airline tickets. The Chambersburg AAA office will accept the transportation order. Vicki Collette is the University's contact person at the AAA office. **The traveler can also purchase tickets electronically using their personal credit card (NOT a university purchasing card.)** Be sure to print a copy of a receipt for your records for reimbursement. Any one charge of \$35.00 or more MUST have a receipt.

Registration Fees

Prepayment of registration fees must be requested on the travel request form. Attach a copy of the brochure and completed registration form. A vendor/Address must be provided if it is not on the registration form.

Payment of registration (reimbursement) will be processed on the travel expense voucher upon return. A receipt or proof of payment will be required for the traveler to be reimbursed.

The registration form must include dates and location of conference/seminar.

If meals are provided as part of the registration fee, traveler IS NOT entitled to additional meal reimbursement.

What Are Our Central Stores Procedures?

Supplies available in the Central Stores may be ordered by creating a material reservation in the University's SAP system (transaction MB21). Your departmental secretary will order these supplies for you in most cases.

Telephone System

The university telephone system and telecommunications networks are to be used for official university business. Reasonable use of the telephones for local calls on personal business by employees is permitted where such use does not interfere with the efficiency of the operation. Long distance and other toll calls billed to the university are to be for official university business. Personal calling cards and personal billing accounts are available for personal toll calls made from campus telephones.

Official long distance calling cards may be available for individuals who, as part of their responsibilities, have a requirement to place official long distance calls from off campus locations. A request form requiring appropriate approval signatures may be obtained from the Telecommunications Office in Old Main 102B.

Requests for information about the Telephone and Voice Mail systems on campus may be obtained by calling extension 1209. An interactive training session on the telephones may be engaged at <http://www.ship.edu/its/telephone/training/index.html>.

Trouble reports involving current telephone equipment or voicemail may be reported to extension 1887.

Requests for telephone moves should be made in writing at least one week in advance of the move date. Move request should be sent to the Director of Telecommunications.