

SINCLAIR COMMUNITY COLLEGE

PURCHASING

POLICIES AND PROCEDURES

MANUAL



JULY 2016

SINCLAIR COMMUNITY COLLEGE ADOPTS THE CODE OF
ETHICS FROM THE NATIONAL ASSOCIATION OF
EDUCATIONAL PROCUREMENT (N.A.E.P) IN ALL
PURCHASING MATTERS OF THE COLLEGE.

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

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PURCHASING POLICIES AND PROCEDURES

I. COLLEGE PURCHASING POLICY

In accordance with the authority delegated by the President and the Board of Trustees to the Senior Vice President and the Director of Business Services, the competitive procurement of supplies, equipment and services necessary for the operation of the College is the responsibility of the Purchasing Department.

The Purchasing Department is the primary department authorized to make commitments of College funds. Individuals with commitment & signature authority include the President, Vice President and Chief Financial Officer, Director of Business Services and the Manager of Purchasing. Strict adherence to all applicable federal laws, laws of the State of Ohio, College policies and sound business practice will be observed.

Expenditures of all College funds from all sources are to be administered by the Purchasing Department in compliance with College policy and procedures.

The purpose of the College Purchasing Manual is to acquaint the College community and other appropriate agencies and individuals with the organization, practice, and procedures of the Purchasing Department. The manual is the official reference guide to be used for all procurement activities. Any financial commitment made other than through these procedures is the personal responsibility of the person making the commitment.

II. ORGANIZATION AND OBJECTIVES

A. Department Objectives

1. To oversee all Campus purchasing for the College in compliance with all applicable laws, policies and regulations.
2. To serve faculty and staff in securing supplies, equipment and contracted services.
3. To aid in establishing standards for equipment and materials throughout the College.
4. To select vendors, utilizing an evaluative process, including: cost, quality required, vendor capability, vendor service record and delivery dates.
5. To provide procurement consulting services to faculty and staff, and facilitating contact with outside vendors.
6. To maintain a consistent and fair policy toward the business community.

B. Authority for Procurement

The Purchasing Department is established, under the direction of the Director of Business Services, to assure that purchasing activities are conducted in accordance with all applicable laws, directives from the President or his/her designees, and sound business practices.

A properly executed purchase order constitutes a contract that is binding on both the College and the supplier. Some vendors may also require accompanying contracts or agreements on their forms. In all cases, these agreements are to be signed by the Manager of Purchasing; they may also be initialed by an appropriate representative of the originating department indicating concurrence.

Any document obligating the College for any performance of duty or service, or obligating College funds, must be signed by one of the following: President, Vice President and Chief Financial Officer, Director of Business Services or the Manager of Purchasing. Documents without one of these signatures are invalid and not binding upon the College. Director of Facilities Management is the designated authority for the direct purchase obligation of certain utilities.

C. Authorized Purchases

In accordance with the authority delegated to the Manager of Purchasing by the Office of the President and the Board of Trustees of the College, all purchase agreements will be governed by the policies outlined in this manual.

D. Unauthorized Purchases

No individual has the authority to enter into any purchase agreement or in any way obligate College funds for procurement indebtedness, with the exception of those purchases or obligations executed via the Sinclair Procurement Card (P-card), without official authorization as defined in Section II-A. Any transaction without such approval shall be considered as a personal obligation of the individual and not payable with College funds.

E. Competitive Bidding

All competitive bids will be solicited by the Purchasing Department under the guidelines established in this manual, unless an exception is approved in advance by the Purchasing Department. In addition, the Purchasing Department reserves the right to obtain competitive quotations, regardless of dollar value, whenever, in its judgment, the quotations may best serve the interest of the College. The Purchasing Department may conduct competitive bidding in advance of formal approval to purchase. By conducting bidding in advance, ordering and receipt of material may be expedited.

III. GENERAL PRACTICES, PROCEDURES AND POLICY

A. Non-Discrimination Policy

Sinclair Community College is strongly committed to a policy of equal opportunity in its employment practices, educational programs and activities, and the many services it offers to the community. The College does not discriminate against applicants, employees, or students on the basis of race, color, creed, religion, age, sex, sexual orientation, gender identity, marital status, veteran status, national origin, ancestry, citizenship or disability.

B. Equal Opportunity & Supplier Diversity Program

The Purchasing Department will provide every reasonable opportunity for minority business enterprises to participate in Sinclair Community College contracts as suppliers, contractors, and subcontractors, and/or as suppliers to contractors performing work for Sinclair Community College.

The Purchasing Department collects analytics regarding Sinclair's Equal Opportunity & Supplier Diversity Program to demonstrate the importance of utilizing MBE, small, local and/or disadvantaged businesses percentage of overall college spend.

Under these provisions, the Purchasing Department will:

- Refuse to conduct business with any person or firm that discriminates against any other person or firm on the basis of race, color, creed, religion, national origin, ancestry, sex, age, handicap or veteran status.
- Comply with all appropriate legal requirements legislated by the State of Ohio concerning affirmative action requirements.

C. Sales Tax

The College is exempt from state sales tax. Upon request, the Purchasing Department will furnish a copy of Sinclair's tax exemption certificate to the vendor. This form is available online within the Purchasing Department Forms Central.

Any person using this tax-exempt status in a personal business transaction is in violation of the laws of the State of Ohio.

D. Personal Purchases

The Purchasing Department will not become involved with or approve any transaction for purchases of a personal nature for any College faculty or staff. Requisitions containing items which appear to be of a personal nature will be questioned by the Purchasing Department and will be returned to the requisitioner if the purchase is inappropriate.

E. Personal Gifts

Some vendors offer a free gift with an order. Personal acceptance of any gift in conjunction with a purchase is inappropriate and prohibited.

All gifts or *free* items received in conjunction with a purchase are College property. As such, they must either be used within the department or forwarded to surplus property.

F. Purchases for Printing

Current printing contracts that Sinclair has entered into for in-house or external printing must be used for printing orders.

G. Warranties

Many items are delivered with warranty certificates attached to the item or inserted in the shipping container. It is the requisitioning department's responsibility to record these warranties, and in the event service is required during the warranty period, to provide the Purchasing Department with the warranty information when service is requested.

H. Maintenance Agreements

It may be advantageous to have maintenance/service agreements on certain types of equipment. Evaluation as to the need for an agreement is the responsibility of the originating department. Any forms required by the vendor will be reviewed and revised as necessary and signed on behalf of the College by the Manager of Purchasing after a properly approved purchase requisition has been submitted.

Campus wide maintenance/service agreements may be available for some equipment. Contact Purchasing to determine if your equipment is covered. All service calls for computer equipment and peripherals, multi-media equipment and copier repair must be directed to the Help Desk.

I. Conflict of Interest

Sinclair employees are governed by Ohio ethics laws. Sinclair has a conflict of interest policy that all employees are required to abide by; this policy is posted on the Sinclair HR website.

Login to our.sinclair.edu; copy and paste the link below to find the Human Resources – Conflict of Interest policy.

<https://our.sinclair.edu/index.cfm/human-resources/hr/human-resources-policies/conflict-of-interest/>

J. Demonstration of Sample Material

College employees wishing to have equipment or samples demonstrated on campus should contact the Purchasing Department for assistance. Prospective vendors should be advised that the Purchasing Department is the only authorized source of issuing a purchase order. Vendors should also be advised that they must provide their own insurance coverage for any material left on campus.

K. Office of Contract Compliance

The Purchasing Department is the designated office of Contract Compliance and the Purchasing Manager is the designated contract compliance officer in accordance with Ohio Revised Code 3345.29.

IV. RECEIVING AND INSPECTION

A. Responsibility of the Receiving Department

The Receiving Department has the responsibility for receiving all incoming shipments with the exception of the Bookstore and Office Depot, verifying quantities and inspecting for damages which are visually apparent. The Receiving Department will process damage claims with the trucking company, if appropriate.

B. Responsibility of the Requisitioning Department

With the exception of computer equipment, materials received in visually satisfactory condition will be delivered to the room identified on the purchase order. Inspecting and testing of all items received by the requisitioning department will ensure their acceptability. Any discrepancies discovered should be reported to the Purchasing Department immediately. The Purchasing Department will evaluate the problem and take necessary action with the vendor.

It is extremely important for the requisitioning department to conduct both visual and operational tests at the earliest possible time.

Any items which bypass the normal receiving procedure (direct mail, delivery by a salesperson, etc.) must be reported to the Receiving Department immediately.

C. Returning Materials

The request to return material should be submitted to the Purchasing Department for evaluation. Information in the memo should identify the purchase order number, the vendor name, the item(s) to be returned, and the reason.

The material should be held by the requisitioning department until the Purchasing Department contacts the requisitioning department with instructions

V. FUNDING AND REQUISITIONING

A. Funding

All funds deposited with the College, regardless of source, are College funds and must be handled in accordance with College policy. Although departments are allocated funds in their budgets, this allocation is only an authority to requisition, not to purchase. P-card purchases do not follow the requisition process; however, all P-card purchases are subject to purchasing policies found in this manual.

B. Account Charged

The final decision on budget accounts to be charged is the responsibility of the Accounting Department in coordination with the initiating department. Purchase orders will be processed against the account number approved by the Accounting Department.

C. Requisition to Purchase

A requisition to the Purchasing Department shall be initiated by the College Department for the purchase of all equipment, materials, supplies, and services which are not available through the Sinclair Bookstore or can be acquired through the Procurement Card process.

D. Requisition – Approval Process

Signature approval authority is as follows:

Up to \$9,999.99	Dean or Director Approval
\$10,000 to \$49,999.99	VP Approval
\$50,000 and over	President Approval

The Accounting Department will be responsible to ensure the appropriate signature authority has occurred.

E. Requisition – Special Approvals

The purchase of certain goods and services best serves the College when coordinated through a central location in order to ensure campus-wide continuity and compatibility. Additional approvals are required for the following purchases.

- **Computers, computer peripherals, hardware, copiers and software**, (except routine upgrades and supply items) by the *Assistant Director of IT*.
- **Publications, printing, etc.** by the *Manager of Marketing*
- **Multi-media equipment** by the *Assistant Director of IT*.
- **Telephone equipment** (including cell phones) by the *Voice Telecommunications Administrator*.
- **Insurance** by the *Director of Business Services*.
- **Furniture** by the *Manager of Planning and Construction*.
- **Marketing, advertising or promotional items** by the *Manager of Marketing*.
- **Website Domains, Cloud or Internet Based IT Services & Website Hosting Purchases** by the *Chief Information Officer* or the *Assistant Director, IT Systems*
 - These orders for unique services level requirements need to be addressed in regards to terms and conditions of a contract and completed via the PO process.
 - All new orders and renewals must have **prior approval** by either the *Chief Information Officer* or the *Assistant Director, IT Systems*.
 - Initial orders **cannot** be placed on a P-card. The only exception is for **renewal** that has already been approved by the *Chief Information Officer* or the *Assistant Director, IT Systems*.

VI. VENDOR INFORMATION AND SELECTION

A. Vendor Selection

The Purchasing Department encourages and welcomes suggested vendors on all requisitions. However, the final selection will be the responsibility of the Purchasing Department. Factors evaluated prior to the selection will include price, product quality, and past performance.

It is extremely important that College personnel make no commitments to vendors either, expressed or implied.

B. Sales Representatives

College personnel seeking to contact sales representatives may contact the Purchasing Office for assistance.

C. Communication with Vendors

All communication with vendors pertaining to negotiations affecting purchases, prospective purchases or purchase orders which involve prices, terms, conditions, and delivery shall be carried on by the Purchasing Department in collaboration with the requisitioning department. Direct correspondence by faculty and staff is accepted practice on other issues, such as availability, product specifications, technical information, requests for literature, etc.

D. Caterer Selection

Due to the exclusivity agreement with a 3rd party food provider, catering on the Dayton Campus must be ordered via the online Food Service Request Form.

When purchasing food to be catered at Sinclair sites other than the Dayton Campus, the following guidelines **must** be followed:

1. Licenses and Certificates

a. Class 4 Health License (vendor **must** provide a copy to Sinclair).

- i. Class 4 is high risk that all caterers must maintain. Class 3 or below is **not** acceptable.
- ii. Health Licenses are renewed annually on March 1st. A current copy **must** be kept on file in Sinclair's Business Services Department.
- iii. Food must be transported and stored in accordance to local and state Health Department standards via a 3rd party vendor licensed to transport food.

b. Certificate of Insurance (vendor **must** provide a copy to Sinclair).

- i. General Liability of at least \$1,000,000 is industry standard minimum.
- ii. ServSafe Certification is preferred but not mandatory. This is a certification from the National Restaurant Association.

VII. REQUEST FOR QUOTATIONS

A. Bidding Requirements

1. Goods and Services

The Purchasing Department is the only department authorized to conduct bidding procedures. The Purchasing Department may however authorize individual departments to conduct the bidding process in limited circumstances.

Departments needing goods and services which require bids should contact the Purchasing Department for consultation, or may submit detailed specifications along with their requisition(s). The input of the requesting department is essential for the accurate identification of the items. Early submission of this information is essential to allow time for the bidding process. A bid process for goods will typically follow a Request for Quotation (RFQ) process. The Purchasing Department will work with the initiating department to manage the RFQ process.

Departments may communicate with vendors as they develop their specifications. A copy of any written communication should be attached to the requisition. Any information should be briefly explained in writing and also attached to the requisition.

Other than the exceptions noted later, the following guidelines apply to obtaining competitive quotations:

- Up to \$24,999 Quotations will be solicited if, in the judgment of the Purchasing Department, the results may be advantageous to the College.
- \$25,000 and above The Purchasing Department will obtain at least three formal competitive written quotations based on written specifications.

2. Construction

- **Contract amount \$200,000 and above**
 - **Formal competitive bidding process per Ohio O.R.C. Section 3354.16 and Chapter 153 required.**
- **Contract amount up to \$199,999**
 - **No formal competitive bidding required.**
“Sinclair’s Purchasing Policy would be to generally continue to obtain written quotations for projects over \$100,000 in order to ensure competitive pricing”. The term “generally” is defined as usually. In defining this further as it relates to our internal processes, it is expected that this will be common (usual) practice for contracts at this level, and as such, this practice should occur in at least 80% of the contracts at this level. Exceptions to this practice would typically be in instances of sole source, economic single source, or specialized services.
- **Contract amount up to \$99,999 – Written quotations not required but recommended whenever practical.**

B. Specifications

The requesting department must supply sufficient information such that potential vendors have the data which will allow them to offer the best value. Specifications may range from a model number to a multi-page list of specifications or professional services. Contact the Purchasing Department for assistance in developing appropriate specifications.

C. Errors in Bids

Vendors are responsible for the accuracy of their quoted prices. In the event of a discrepancy between a unit price and its extension, the unit price will govern. Quotations may be amended or withdrawn by the bidder up to the bid opening date and time. After the bid opening, in the event of an error, bids may not be amended but may be withdrawn prior to the acceptance of bid. After an order has been issued, no bid may be withdrawn or amended unless the Purchasing Department considers the change to be in the best interest of the College.

D. Exceptions to Bidding Requirements

1. Purchasing Contracts

The Purchasing Department participates in bidding for many items conducted in a cooperative process. Consortium and/or collaboration purchasing initiatives, whenever practical, should be utilized to reduce costs. See the Purchasing website for links to the current Consortiums.

2. Re-Orders from Previous Bid

Under certain circumstances, goods and services may be re-ordered based on a previous bid, with the approval of the Purchasing Manager. The Purchasing Manager will determine that there have been no significant changes in the goods or services offered or any significant market changes since the prior bid.

3. Waiver of Competitive Bidding

Due to the nature of the item or to the sales structure of the vendor organization, one of the following categories may result in a waiver of the bidding process:

- a. Sole Source
- b. Single Source
- c. Emergency
- d. Economic/Single

Documentation from the requisitioning department must be provided. See Waiver of Competitive Bidding Form available on Forms Central under Purchasing Forms.

4. Professional Services Contracts

While Professional Services Contracts (e.g., legal, architectural, engineering) are exempt from the bidding process, the Purchasing Department reserves the right to conduct bidding if it is in the best interest of the College.

Typically, the bidding process for a professional service will follow a Request for Proposals (RFP) process. The Purchasing Department will work with the initiating department to manage the RFP process. The RFP process may include the following steps:

- a. Solicitations for services will be prepared and submitted to a minimum of three qualified firms/individuals.
- b. Solicitations for services typically will include an outline of the proposed project, the description of services to be provided, project time table, project check points, minimum requirements and selection criteria.
- c. A report of the selection process is prepared, listing those who have submitted proposals. The decision to award will be made based on evaluation criteria delineated in the solicitation.
- d. Under certain conditions, a professional services contractor may be a recognized national or international expert or a company or individual may be *uniquely* qualified to provide the services required. Under such circumstances, the Purchasing Department will review, and if appropriate, waive additional selection processes. A written justification must be prepared citing appropriate references demonstrating this status.

E. Electronic Mail (E-mail) Bids

Bids transmitted via electronic mail will be accepted unless specifically prohibited in the bid specifications.

F. Rejection of Bids

The Purchasing Department reserves the right to reject any part of a bid, a bid in its entirety or all bids in their entirety whenever, in its opinion, the action will be in the best interest of the College.

G. Construction and Renovation

Projects which involve modifications to building structure, revisions of utilities or attachments to structures may be governed by specific requirements of the Ohio Revised Code. Such projects must be coordinated by the Facilities Department. Prior to planning the purchase of any equipment requiring modifications to facilities, contact the Planning and Construction Department.

H. Prevailing Wage Law

State Law mandates that all contractors engaged in any new construction projects are subject to the Prevailing Wage Law when the total overall project is estimated to be more than an amount established by the Director of Industrial Relations of the State of Ohio. The Prevailing Wage rates are adjusted biannually. All contracts for such work must assure that workers are compensated in accordance with the Prevailing Wage Law.

VIII. PURCHASE CONTRACTS

A. Purchase Orders

A properly executed requisition, with appropriate signature approval, provides authority for the Purchasing Department to proceed with the procurement process. Purchasing Department personnel will review the requisition, solicit bids (if necessary), select the vendor (in cooperation with the requesting department) and prepare a purchase order.

B. Procurement Cards

Sinclair's Procurement Cards (also known as P-Cards) are issued, to individuals through the College, by an area bank in the name of the College and the employee. **Using a P-Card is the preferred method to purchase low-value, non-capital expense items.** Many items previously acquired by using Petty Cash, Purchase Orders or Check Requests should be targeted for the P-Card.

The P-Card Program is not designed to replace the current purchasing process. Instead, the P-Card is simply another purchasing tool designed to provide the requester with an easier and faster method to purchase goods and services. It can be used to make purchases in person, by phone, fax, or mail, and over the Internet.

From an accounting and purchasing viewpoint, the P-Card has good control, reporting and data interface features, which allow reduction in overhead costs. In addition, suppliers benefit as they are paid in two to three days and do not have to prepare, send and track invoices, or wait 30 to 45 days for payment.

The Cardholder should purchase from College contract vendors, identifiable by contacting the Purchasing Department, whenever possible to take advantage of pricing and terms negotiated on a College-wide contract basis.

Please note that all purchases are subject to the rules and procedures contained in this Manual.

1. Guidelines for Card Use

Senior Vice Presidents, Vice Presidents, Deans and Directors should establish restrictions on card use for individuals within their departments. Such restrictions must be monitored by the appropriate Budget Manager.

Purchases may be made at merchants and suppliers who accept Sinclair's card type. *Examples of the types of purchases the P-Card may be used for include:*

- Office and lab supplies
- Equipment maintenance and repair
- Books and multimedia
- Purchases for which petty cash was formerly used
- Dues/Memberships/Subscriptions –**RENEWALS ONLY** (initial purchase must be submitted via check request)
- Auto rentals through a contract the College has with a commercial rental car provider and with prior approval by Accounting
- Gasoline for rental vehicles
- Certain registration fees and deposits
 - Registration for workshops/webinars/seminars, which are held *online* only, may be transacted on the P-Card.
 - Registration for workshops/seminars with a facilitator, either ON or OFF CAMPUS, is considered a travel expense and must be processed through the Accounting Department.

Do not use your P-Card for these transactions:

- Capital Expenses
- Telephone equipment
- Computer Hardware (e.g. PCs, laptops, tablets, etc.)
- Off-campus Duplication and Printing. All duplicating jobs must be handled by the Duplication department. All printing projects must be handled through the Marketing Department.
- Dining at restaurants (unless the cardholder has travel expense authority)
- Food items (unless classroom related)
- Payment of invoices not originally ordered with the card
- Any travel-related expenses, unless you have prior approval by Accounting and/or you have been given travel expense authorization.
- Luxury items
- Consulting services
- Any other purchases that involve signing an agreement, license or contract
- Appliances
- Items for resale
- Gifts or items of sentiment (gifts, parties, picnics, flowers, decorations, greeting cards, etc.) or anything that could be construed as 'personal'.
 - This includes any type of **Gift Card** (e.g. American Express, Target, Walmart, etc.). The purchase of Gift Cards is strictly against SCC Purchasing Policies and Procedures and is considered an unauthorized purchase.
- Cash advances
- Donations/Sponsorships – (must be **PREAPPROVED BY THE PRESIDENT** and submitted as a check request)

- Employee relocation expenses
- Fuel for a privately-owned vehicle
- Purchases delivered to a non-College address
- Purchases which represent a conflict of interest (e.g., purchases from a business in which you or a relative have a financial interest)
- Furniture
- Any personal purchases
 - Should any personal charges be *unintentionally* charged on the P-Card, the user must immediately prepare a personal check made payable to “Sinclair Community College.” This check must be made for the amount of the personal charges and note the same account number that was used for the P-Card transaction. The check should be hand-carried to the Purchasing office which will make the deposit with the Bursar and will copy all documentation to attach to the Cardholder’s corresponding Transaction Review report.

The P-Card is NOT to be used in the Sinclair Bookstore. The Tartan Card is to be used for all purchases in Sinclair’s Bookstore.

The P-Card is NOT to be used for Purchases with Aramark. A “Food Services Request” form, located under “College Forms” must be processed

2. Control Mechanisms with the P-Card

A P-Card is a special type of credit card. The Program Administrator has the ability to control its use in the following ways:

- Maximum dollar amount of a single transaction.
 - ✓ This amount will generally be \$500.00.
 - ✓ Higher limits must be further approved by the Dean or Director.
- Maximum dollar amount that may be charged per month.
 - ✓ This amount will generally be \$2,000.00.
 - ✓ Higher limits must be further approved by the Dean or Director.
- Type of business where the card is used, as defined by the Merchant_Category Code.

Credit card companies classify all merchants by a Merchant Category Code (MCC). The College has chosen to block certain MCC codes for purchases on the P-Card. If you attempt to make a purchase with one of these merchants, your transaction will be declined. Should a legitimate purchase be rejected, however, contact the Program Administrator to get the problem resolved.

3. Acceptable Use

- a. Each card will be issued in the *employee’s* name. Typically, only designated full-time employees of Sinclair Community College will be issued cards. Part-time employee requests will be evaluated individually.
- b. Employees have a responsibility to report instances in which the College’s policies and procedures are not being followed. If an employee becomes aware of such an instance, the Budget Manager and the P-Card Administrator should be notified immediately.
- c. Each cardholder is required to attend an orientation and to sign an **Agreement to Accept Procurement Card** form prior to receiving a card. This agreement will be kept in the Procurement Card file in the Purchasing Department.

- d. Sinclair is sales tax exempt in Ohio. It is the Cardholder's responsibility to ensure that sales tax is not charged. The College's tax identification number is printed on the front of the card. The only valid sales tax would be an in-person transaction outside the state of Ohio.

Inform each vendor of our tax-exempt status. A copy of Sinclair's tax-exempt form is available on Forms Central.

If sales tax is inadvertently charged to your card, you are required to dispute the charge. Contact the merchant to have the tax removed. Tax credits should appear on your next Transaction Review report.

- e. When making a transaction, you **MUST** obtain an itemized sales receipt.

For telephone orders, please request that a sales receipt be faxed directly to you or mailed with the package to **your attention** per the instructions below.

If ordering on-line, please print the order summary to capture the information about what you are buying and how much it costs.

Acceptable receipt documentation includes a credit card slip, sales receipt, packing slip **or** cash register tape as long as it contains all of the information below:

- Name and location of vendor
- Itemized list/description of goods purchased and quantities
- Per item price(s) and total purchase amounts
- Date of transaction
- Shipping address

For orders which will be shipped to the College, Cardholders should direct the merchant to include the following on the shipping label and/or packing slip:

- **Cardholder name**
- The words **CREDIT CARD**
- The **complete delivery address**, including **department** and **room number**. For example, an order placed by John Doe should be addressed to:
Sinclair Community College
ATTN: John Doe CREDIT CARD
PE Dept. – Room 8023
444 West Third Street
Dayton, OH 45402

- f. In the unusual circumstance that a receipt is lost or not available, a **Missing Receipt Affidavit** form (found on the Purchasing website) must be completed and attached to the monthly Transaction Review report. Any substantiating documents available should also be attached to the Transaction Review report as appropriate. This option should be used infrequently and must include an explanation and signature plus the signature of the individual having budgetary approval of the account. Excessive use of this form could result in sanctions and loss of card privileges.
- g. An e-mail will be sent to each cardholder by the Program Administrator at the end of each billing cycle. Each Cardholder must reconcile the Transaction Review report and attach all original corresponding receipts. Copies of monthly reports should be retained in the Cardholder's files. The Budget Manager must review, approve and forward the report to

Purchasing by the report due date mentioned in the monthly e-mail. The Budget Manager or Supervisor's review of the Cardholder's monthly transactions is necessary to ensure cards are properly used in accordance with the College's established purchasing policies. The Budget Manager is ultimately responsible for verifying that all charges against the Cardholder's account are appropriate and permissible according to the College's policies and procedures, are backed up by supporting documentation, and are forwarded with documentation to Purchasing.

The Cardholder and Budget Manager must sign off on each original P-Card report prior to submitting the report to Purchasing. ***If the Cardholder is the Budget Manager, the appropriate Supervisor must sign off on the report.*** No signature stamps will be accepted. Purchasing will review all purchases for appropriateness and forward to Accounts Payable for filing with the bank invoice.

- h. Each card is assigned an appropriate Sinclair General Ledger account number. If a charge made on a card needs to be allocated to a different account, it must be changed on-line by the Cardholder ***prior*** to the General Ledger Changes Deadline identified in the aforementioned e-mail. (NOTE: Changes made to the account number will not be activated unless the ***SAVE*** button is selected. Please consult documentation received during P-card training.)
 - i. If changes to the information on the P-Card account are necessary, i.e. changes to spending limit, account number, etc., the Cardholder must complete a new ***Procurement Card Application Form***, and obtain the Dean or Director's signature, and file the form with the P-Card Administrator.
4. Consequences for Failure to Comply with Program Guidelines

Cardholders who violate Purchasing Policies and Procedures as outlined in this Manual will be subject to:

- 30 days suspension for two non-compliant reports,
- Permanent revocation of card,
- Deduction from wages, and/or
- Disciplinary measures that may include termination, legal action and criminal prosecution.

A written notification will be sent to the cardholder and the signature authority on the account if P-Card privileges are to be suspended or revoked. Notification will also be sent to the Cardholder's supervisor if other than the signature authority. Some violations include:

- Unauthorized expenditures
- Repeated failure to turn in reports on time
- Receipt documentation failure
- Intentional use of the card for personal purchases (which will result in card cancellation and the employee being liable for the personal purchases)

5. Audits

To ensure the continued success of the P-Card Program and meet Sinclair's audit requirements, a stringent periodic review of each Cardholder's transaction file and monthly summaries will be conducted by the Purchasing Department. An outside auditing firm will also conduct a yearly audit of the P-Card program.

6. Credit Card Security

The card must always be treated with the highest level of care.

a. The Cardholder requirements:

- **Sign the card** as soon as it arrives.
- **Keep the card in a secure location.** Guard the card number carefully; it should be accessible only to the Cardholder.
- **Save receipts and statements in a secure area.** (Receipts may contain the card number.)
- **Keep an eye on the card during the transaction** and retrieve it as soon as possible.
- **Always know where the card is located.** If misplaced or lost, assume the worst and cancel the card. Request a new card.
- **Be aware of what is being signed.** A signature can copy through to other slips deliberately placed underneath.
- **Audit all monthly purchases closely.** Make sure all charges shown are legitimate charges.
- **Visit reputable, familiar merchants.**
- **Report possible fraud immediately.** Call the P-Card Administrator at x3020.
- **Guard all account numbers with care.**

b. The Cardholder must not:

- **Discard credit card slips in public areas or discard them without shredding.** Thieves can acquire the card number from receipts, slips and statements.
- **Give a card number to anyone over the phone** unless the recipient is known to be a reputable vendor.

c. Prohibited

- Sharing the Card (or use by someone other than the Cardholder)

The only person entitled to use the card is the person whose name appears on the face of the card. ***The card must never be lent to anyone.*** The P-Card is not transferable and may not be shared.

NOTE: There can be multiple cards within a department. Each card is assigned to an individual employee. **These are not DEPARTMENT cards.**

- Splitting purchases to avoid the Cardholder's established single transaction limit.
- If you must write down your P-Card number to Fax an order; you **MUST** redact from hardcopy.
- Vendors must not digitally store or keep P-Card numbers on file for auto pay.

d. Fraud, Lost or Stolen Cards

If fraudulent use of a P-card is suspected, or a P-card has been lost or stolen, it is the responsibility of the Cardholder to immediately notify the Purchasing Department, the issuing bank, and Cardholder's Dean or Director. The account will be closed and a new card issued.

Contacting the bank is critical and should be done immediately by the cardholder!

7. Temporary or Permanent Leave

When the Cardholder leaves Sinclair, the user's card must be turned in to the P-Card Administrator along with all receipts of transactions purchased to date. The P-Card Administrator will cancel the card by notifying the bank.

When an employee is absent from the office for an extended period of time, the Dean or Director may request that the absent employee's card be inactivated and a new card be issued to the person assuming the responsibilities of the absent employee.

If an employee has to be out of the office temporarily, regardless of the reason (e.g., vacation, business travel, conference, illness, etc.), all P-Card report deadlines still apply. This is also true for employees who have been given the responsibility to process someone else's report (e.g., for an employee who has resigned or retired but still have outstanding transactions on the card). In addition, nine-month employees must make arrangements for turning in all reports on-time during the summer – regardless of whether the Cardholders are on campus or not. ***Failure to turn in a report can result in suspension of the card.***

8. Disputed Items

Accounts Payable will pay all charges on all cards on a monthly basis, issuing one ACH transfer to the bank. In the case of an exception or disputed charge, the Cardholder must try to resolve the issue. If the Cardholder has a problem with a purchased item or billing resulting from the use of the P-Card, the Cardholder must:

- First try to resolve the matter with the supplier or merchant. If the merchant agrees that an error has been made, the merchant will make an adjustment (credit) to the account. The merchant should be requested to fax a copy of the credit to the Cardholder's attention. This will help ensure that the credit is processed. The adjustment should appear on the next Transaction Review report. In most cases, disputes can be resolved directly between the Cardholder and the supplier within 7-10 days. The Cardholder is responsible for verifying that the credit appears on a subsequent statement.
- If the merchant does not agree to make an adjustment, the Cardholder should dispute the transaction by completing the Purchasing form entitled "**Procurement Card Statement of Questioned Item**" (found on the Intranet) and forward it to the bank. This form **must be received** by the bank **within 60 days** of the date the charge first appeared on the monthly statement. A letter may accompany this form, if appropriate. A copy of the form (and letter, if applicable) must be attached to the monthly Transaction Review report and sent to the P-Card Administrator in Purchasing. A copy must be retained for the Cardholder's records.

a. Returns/Credits

The Cardholder is responsible for contacting the merchant when merchandise purchased with the P-Card is not acceptable (e.g., incorrect, damaged, defective, etc.) and for arranging a return for credit or an exchange.

The Cardholder should request that the merchant/supplier issue a credit to the P-Card account. The credit should appear on a subsequent statement. A copy of the credit receipt should be requested and attached to the monthly Transaction Review report. The Cardholder is responsible for obtaining a credit receipt from the merchant. Receiving cash or a check to resolve a credit is prohibited.

C. Purchases Requiring Prepayment

There may be rare situations when it is necessary to make payments in advance of receiving goods or services although this practice is not generally appropriate. Examples may include membership fees, registration fees, professional fees, subscriptions and personal services such as speaker honorariums, etc.

The Purchasing Department must review and approve all transactions requesting advance payment and will be the final authority in this determination. The requisition form to the Purchasing Department is to be completed and prominently marked *Check Request*. Correspondence from the organization indicating that no material or service will be provided without prepayment should be attached.

Any requisition requesting prepayment must have attached to it evidence of the cost of the item (e.g., a price sheet or Proforma Invoice).

D. Blanket Purchase Orders

Blanket Purchase Orders typically cover a specified time period with an established dollar limitation. Capital equipment may not be purchased on blanket orders.

A request for a blanket order should be identified by the initiating department through the requisitioning process. Persons authorized to purchase from the order and the dollar limit must be identified.

E. Check Requests

The vast majority of purchasing activity for the College should be done via Purchase Orders or P-card transactions. In the rare event, that a purchasing transaction does not justify a formal Purchase Order or cannot be processed by credit card, a *Check Request* may be processed.

The transaction would typically involve the following to qualify for a check request:

1. Non-contractual personal service payment, (e.g., game officials, speakers, honoraria, certain stipends).
2. Memberships/dues.
3. Subscriptions.
4. Contest/award winners.
5. Purchases which cannot be charged on a P-Card.
6. Routine payment of contractual obligations not subject to Purchasing Review, (such as reimbursements required by terms of a grant where Sinclair acts as the paying agent).
7. Payment of emergency purchases as defined in Section H.
8. Reimbursements of small dollar expenditures subject to all restrictions herein.

To initiate a check request, complete the Purchasing Form found on Forms Central. Select the Check Request bullet in the center of the form. Forward the form along with appropriate back-up information (invoice, application, etc.) through the usual approval process. All such requests must include the complete detail of goods and services received. Credit card slips or cash register receipts lacking specific, itemized detail will result in the request being rejected.

Since a check request does not result in a purchase order being printed, there will not be a copy returned to the department. Special care must be taken by the person initiating the request not to duplicate the request. It is common for the businesses involved in some of the above transactions to send a stream of requests or notices to their customers.

F. Unscrupulous Business

There are unscrupulous businesses which prey upon inexperienced purchasers. Purchasers should order only from known, legitimate businesses in order to avoid unscrupulous businesses. Contact with the Purchasing Department is recommended when in doubt.

G. Modification or Cancellation of Orders

Once a purchase order is received and accepted by a vendor, it becomes a binding contract between the vendor and the College. The only persons who may institute cancellation or changes to the order are Purchasing Department personnel.

Requests for a change on an order by the requisitioning department can be initiated verbally but must be immediately confirmed in writing. All contact with the vendor on these matters will be made by the Purchasing Department.

Vendor requests for price changes on a purchase order may be approved/rejected by the Purchasing Department if the net change does not exceed \$500.

Changes of more than \$500 require the initiating department to submit a Purchasing Form amending the original order. Normal signature approvals are required. The Purchasing Department will then issue a purchase order addendum to the original order.

H. Emergency Purchases

Emergency situations arise which may not allow time for normal purchasing procedures to be completed. These situations may include the following:

- Injury or life threatening situations.
- Damage threatening situations to College buildings or equipment.
- Breakdowns, breakages, or malfunctions of equipment necessary for normal operation of campus.

If, for any of the above reasons, an immediate commitment of funds is required or if the emergency must be handled during non-business hours, the requesting department must deliver the necessary documentation to the Purchasing Department during the next regular business day.

I. Memberships/Subscriptions

Most institutional memberships and subscriptions are an appropriate use of College funds if there is a direct benefit to the College and respective department. Rarely, would a personal membership or subscription qualify as an allowable expense. In the event that the personal membership or subscription met a public purpose (e.g., notary, CPA, etc.), approval may be warranted through the President or a Senior Vice President.

Payments for memberships in social organizations (e.g., golf clubs, fitness clubs) are strictly prohibited.

J. Problem Orders

Responsibility for the purchasing process does not end until the goods are received in satisfactory condition and all conditions of the contract have been completed. It is imperative, therefore, that the Purchasing Department be contacted when any vendor follow-up is required. Reasons for follow-up may include the following:

- Reviewing status of orders for delivery
- Incomplete or incorrect shipments
- Damaged goods
- Price changes (including freight/handling charges)

The Purchasing Department is responsible for all vendor contact once a purchase order has been issued.

K. Complaints

The Purchasing Department handles all complaints or questions addressed to vendors and involving purchase order transactions. College employees should communicate with the Purchasing Department at the earliest possible time when problems or questions arise.

IX. TRAVEL – COLLEGE APPROVED TRAVEL POLICIES

Login to our.sinclair.edu; copy and paste the link below to find the Accounting Travel page.
<https://our.sinclair.edu/index.cfm/offices/non-academic-departments/general-accounting>

XI. Prohibited Items

The expenditure of College funds for certain items is prohibited and requests for these items will be rejected by the Purchasing Department. These items include, but are not limited to the following:

- Commercial gift cards
- Items for employees which may be construed as personal or a form of compensation (gifts, donations, parties, picnics, flowers, decorations, greeting cards, etc.). Expenditures related to sympathy, congratulations, illness and appreciation may be authorized by the President's and/or Human Resources' Offices. Expenditures for employee incentive initiatives (e.g., gift certificates/gift cards) are not authorized under this policy. Official campus wide events may be exempt from this restriction.
- Sponsorship type payments to outside organizations (e.g., banquet table at non-profit annual event) requires advanced approval by the President.
- Appliances, large or small, other than when used in a classroom/laboratory setting which are appropriate for the subject matter being taught.
- Luxury type items or expensive models of acceptable lower cost items.
- Items purchased with College funds to be re-sold to individuals.
- Alcoholic beverages, other than for instructional use in an educational environment.
- Food and beverages, other than for instructional use in an educational environment, or hospitality to official visitors and approved official functions of Sinclair as approved by the President or the appropriate divisional Senior Vice President or Vice President.
- External departmental luncheons or events, unless approved by the division's Senior Vice President or Vice President in advance.
- Individual certification or accreditation, such as certified public accountant, etc. and any testing fees associated. (Exceptions occur only when such certifications or accreditations are required of an individual to provide an official function to the College, e.g., Notary Public).
- Employee relocation expenses.
- Fuel for a privately-owned vehicle.
- Purchases delivered to a non-College address.
- Purchases which represent a conflict of interest (e.g., purchases from a business in which you or a relative have a financial interest).
- Donations/Sponsorships.