6.1 Creating Requisitions

A requisition is an internal Oracle request for goods or services that originates from an employee. Each requisition can include many lines, generally with a distinct item on each requisition line. Each requisition line includes at least a description of the item, the unit of measure, the quantity needed, the estimated price per item, and the accounting distribution to which the employee is charging the item.

A requisition must receive the required approvals before a buyer can create purchase orders from the requisition. A requisition is fully approved only when an employee who has enough authority approves it.

Requesters determine needs for goods or services that will be procured with a purchase order, and enter a requisition in Oracle. Requesters should not submit Oracle requisitions for items that may be purchased with the Procurement Card. The requester may also suggest a specific supplier for each requisition line. The requester must identify a buyer for each requisition line. A single requisition may contain multiple lines for varying suppliers. A single requisition may be created into multiple purchase orders by the buyer.

A fund checking occurs only for grants management (GM) accounts. GM determines if there are funds available for the requisition based on the applicable budget and if the cost is allowable (e.g., grants management requisition). If funds are not available for the requisition, the requester receives immediate notification that funds are not available and the requisition may not be processed.

An approver reviews the requisition and has the option to reject (return to requester), approve, modify or forward the requisition to another approver. The approver can modify anything on the requisition (e.g., quantity, items, item attributes).

If the requisition is rejected by the approver, it is returned to the requester for modification or cancellation.

Once the requisition has been approved, it automatically is placed into the buyer’s work queue and the buyer creates a purchase order. A requisition
approver and buyer can be the same person. Reference the Oracle Training Manual for detailed descriptions on how to work within Oracle.

6.2 Making a Purchase with a Purchase Order

The following positions are authorized to approve purchase orders within Oracle for the designated dollar ranges:
- buyer: up to $10K;
- 1st-tier approval (Department Business Manager): $10K - $50K;
- 3rd-tier approval (VP and Chief Financial Officer, Provost, VP Enrollment): $500K - $2M.
- 4th-tier approval (Board of Trustees): $2M plus

(Note: When federal funds are being used a) that equal or exceed $5,000, Sponsored Project Accounting must approve the transaction. With non-Preferred Suppliers, 1st tier and higher approvals will also include the Director, Procurement Services. These reviews happen automatically in Oracle when the Buyer submits their PO for approval).

Authorized approvers are responsible to ensure that the purchase is appropriate, that the correct account distribution is being used and, when necessary, the proper departments (e.g., Sponsored Research, Radiation Safety, PS, Property Accounting, Sponsored Project Accounting, etc.) or individuals (e.g., Principal Investigator) have signed off on the purchase.

A purchase order must be used for capital acquisitions, or on other acquisitions when the Procurement Card cannot be used, or when a web-based ordering method can not be used, or when a separate contract must be signed and attached to the PO, or when detailed transaction data will be required at a later date, or when federal funds equal to or exceeding $2,500 are being committed with a non-Preferred Supplier.
1. Define the need in terms of description of the material or service, quantity, quality and price; if needed, develop a scope of work (see Developing and Writing Specifications and Bids for Services, Section 3.2).

2. If necessary, consult with multiple suppliers on style, models and technology issues that will assist in defining the exact item for purchase.

3. Contact a Commodity Manager in PS, if needed. He/she will assist in any aspect of the procurement process, such as specification development, supplier sourcing, commercial terms and conditions, University insurance requirements, liability issues and strategies to ensure that the University receives the lowest evaluated cost at the required quality. Typically, the earlier in the process a Commodity Manager gets involved, the greater the amount of added value.

4. Complete an online Oracle purchase order. Follow University and internal department rules for routing and approvals. At a minimum, the document should be reviewed for adequate funding, allowable items and correct account.

5. If the purchase amount is $5,000 or greater, or is $2,500 or greater using federal funds, and a Preferred Supplier is not used, competitive proposals or quotations (written over $10,000) should be obtained and recorded on the Purchasing Checklist and Bid Summary Form; see also Competitive Bidding and the Purchasing Checklist and Bid Summary Form (Section 3.2). When using federal funds, all contracts at $5,000 or greater will automatically be reviewed by Sponsored Project Accounting through the “Workflow” function within Oracle. All purchase orders that equal or exceed $10,000 will automatically be forwarded to PS for approval prior to any other Oracle approvals. An Oracle PO cannot be printed by the buyer without all appropriate approvals. A properly completed Purchasing Checklist and Bid Summary Form and all required supporting documentation must be sent or faxed to PS before the PO will be released for any further Oracle approvals. Failure to submit the required documentation to PS could cause approval of the order being held up pending submittal of all documentation. Continual submittal for approval without the proper supporting documentation may lead to Oracle purchase order access denial. (See Restricted Purchasing on Federally Funded Purchasing, Section 7.16)

6. Radioactive materials must be purchased through the Radiation Safety Office of EH&S. (See Restricted Purchasing, Gases, Chemical and Radioactive Materials, Section 7.13).

7. If government funds are involved and the order is expected to exceed $2,500 with a non-Preferred Supplier (competitive or non-competitive), the terms and conditions presented in the Purchase Order General Terms &
Conditions and Shipping Instructions (for grants and cooperative agreements) plus the Supplement A – Federal Agency Requirements/Regulations (for contracts) must be negotiated and accepted by the supplier.

8. Upon completion of all necessary reviews and departmental and management approvals, the order can be printed and sent to the supplier.

9. When an order for goods is received, inspect the delivered materials for damage, missing parts or errors in shipment. Compare the material received to the packing list. If the purchase order has a three-way invoice match for payment, the item(s) will need to be received in the Oracle system before accounting can pay the supplier. If the purchase order has a two-way invoice match for payment, receiving the item(s) in Oracle is not necessary.

10. If there is damage or the purchased item(s) needs to be returned, contact the supplier to arrange for a replacement, a credit memo or return authorization. Always request a Return Authorization Number from the supplier. If there is a problem with the return, having this number will be a great benefit. If the item(s) being returned originally had a three-way invoice match, mark the item(s) as returned in the Oracle System. If the issue can not be resolved with the supplier, contact a Commodity Manager.

11. Per the instructions on the purchase order, all suppliers should send invoices to the University's central Accounts Payable for payment unless otherwise specifically instructed.

**Blanket Purchase Orders**

Blanket purchase orders will only be issued if a Commodity Manager agrees that the Procurement Card cannot be used. Buyers who need to make repetitive purchases from non-Preferred Suppliers should first negotiate with the desired supplier to accept the card. If the supplier will not accept the university’s Procurement Card and a blanket purchase order must be used, contact a Commodity Manager for instructions on how to process the order.

**Draw Down Purchase Orders**

A draw down PO (a PO written for a total dollar amount which can be drawn down monetarily by paying periodic invoices) can be created by doing the following steps in Oracle:

1. At the line level of a new PO, select the line type as “Service/Goods – Amount”.
2. In the Unit of Measure field, you will see DOLLARS, which has defaulted there when you selected Service/Goods – Amount.
3. Place the dollar value of the total contract in the Quantity field (or the balance left on the contract if any payments have already been made).
4. Place the number 1 (which represents $1) in the Unit Price field.
5. Continue on with your PO as you normally would.
6. When finished, look at the total PO Amount field in the header to verify the total is equal to the total value of the contract for the complete time period/term of the agreement (or the balance left on the contract if any payments have already been made).

Note 1: If you are revising an existing PO to become a draw down PO, you may have to create a new line item with the remaining balance of the total contract dollars and then cancel the original line item. This is because Oracle sometimes will not allow the buyer to change the line type within the existing line item (Services/Goods – Amount from an originally selected line type of Services/Goods – Quantity).

Creating a PO in this draw down manner allows the buyer to submit periodic invoices directly to Accounts Payable (with the PO number referenced on them) and invoices will be paid against the draw down PO without creating a new separate PO, or a new line item to an existing PO. Additionally, because a new PO or line item to an existing PO has not been created for each new invoice, there are no recurring approvals required in Oracle. The invoice amount is drawn down from the total contract value of the one PO until there are no more dollars left on the order.

Emergency Purchases

In the event that an emergency or rush order needs to be placed, the fastest method is to use the Procurement Card. If the card cannot be used, see the departmental or division buyer to check on availability for approvals and purchase orders, or call a PS Commodity Manager.

Zero Dollar Purchase Orders

Zero dollar purchase orders are normally used for transactions where there is no cost to the University, but there is a need to document the transaction for ownership, responsibility or liability reasons. For instance, whenever a supplier intends to leave a piece of equipment or software on University property for the purpose of evaluation or for a short-term loan, it is necessary to pre-establish the ownership rights, the value of the equipment or software, the responsibility for care and use, and the liability in case of accident, loss or damage. (Reference Section 6.3 below and the Procurement Services website for the “Standard No Charge Contracts for Equipment Evaluation or Supplier Loaned Equipment”).

Prepaying for Purchases

Prepayment for goods or services should be avoided whenever possible but can be used with departmental management approval. If necessary, the University would prefer to make periodic payments during the term of the order for specific milestones reached by the supplier rather than just a “pre-payment.” However, both the Procurement Card and an Oracle purchase order can be used if prepayment must be made. If the Procurement Card cannot be used, prepare
the purchase order, obtain all necessary approvals, and notify Accounts Payable that immediate payment is requested.

To request an Oracle purchase order prepayment (full or partial), follow these steps:
1. Complete a purchase order in the usual way (one line item for full payment; multiple line items for multiple payments) and mark the Terms section that the payment should be “Immediate”.
2. Notify Accounts Payable that the purchase order requires immediate prepayment.
3. If the check has to be attached to the purchase order, provide the printed purchase order to Accounts Payable (with an invoice from the supplier) who, once the check is cut, will attach it to the purchase order and mail it to the supplier.

6.3 **No Charge PO for Equipment Evaluation or Supplier Loaned Equipment**

Evaluation/loaned materials and/or equipment become no-charge transactions by which physical custody of property is granted to the University without transfer of title or accountability. However, the University may be accepting the responsibility and liability for its proper use, protection and return. Therefore, commitments for loaned articles are to be made via a “no-charge purchase order”. Buyers are responsible for assuring University protection, negotiating and documenting the instances where suppliers provide the University with equipment or software as a loan or an evaluation trial in anticipation of making a sale.

The buyer must negotiate mutually agreeable contractual terms and conditions of the loan/evaluation, and a no-charge purchase order must be issued with a copy provided to Property Accounting Services.

The no-charge purchase order must include specific information about the loan/evaluation, i.e., the purpose for the transaction, a purchase order number,
an indemnification clause protecting University interests, identification of the equipment and its value, the location of the equipment or software on University premises, and what the University is required to provide at the completion of the evaluation. The forms “Standard No Charge Contracts” has two versions of a standard equipment/product evaluation contract.

“CMU’s Request” should be used when the University is requesting equipment/products as loaned property or for evaluation purposes. In this case, the University accepts responsibility and liability for the property’s use, protection and return (possibly including shipping, usage and set-up costs).

“Supplier’s Request” should be used when a supplier is attempting to sell its equipment/products to the University and wishes to loan the property for evaluation purposes. In this case, the University should accept only limited responsibility and liability for the property’s use, protection and return (shipping, usage and set-up costs should be borne by the supplier).

If a purchase is not made after the loan or evaluation period, the buyer must assure that the items are always returned at the end of the agreed upon term. Supplier items received for University requested evaluation may or may not be returned depending upon whether there are any other suppliers providing equally effective items. If items under evaluation have a value in excess of the capitalization threshold, consideration of University policies regarding capital equipment must be considered; and, if items have a value in equal to or in excess of $5,000, consideration of University policies regarding the establishment of competition and proper documentation must still be made.

6.4 Written Agreements and Contracts

Commitments for some arrangements and services can not always be placed solely on a purchase order or Procurement Card without the supplement of a written contract which is signed by both parties. The written contract often incorporates much more detail than a simple purchase order or credit card transaction alone can provide, especially related to the operating terms and conditions and the details of the transaction itself (i.e., payments under leases, incorporation of the Americans with Disabilities Act, escrow for software source code, liability and indemnification issues, warranty statements, export controls, etc). Examples of these types of agreements are, but are not limited to, the following:
Major Software Licenses Hotel/Conference/Banquet Facilities
Space Leasing Training Services
Telecommunications Services Special Events
Installation Services Power of Attorney
Consulting Agreements Design Agreements (whether artistic or facilities related)
Professional Services Agreements

Any documented agreement that creates a legally binding contract between the University and any other party requires an official authorizing signature, per the University policies on signature authority. There are a very limited number of University employees who are actually authorized to sign contracts (reference University policies: Policy for Authority to Commit the University; and, Authorized Signatures for Agreements, Contracts and Licenses, found at: http://www.cmu.edu/policies/documents/). Therefore, only the officers of the University (President, Provost, VP Enrollment, Treasurer, VP & CFO) and those who have written delegations of signature authority from those identified officers, are authorized to sign any type of contractual agreement(s)/commitment(s).

The Director of Procurement Services has written delegated authority for the Procurement Services organization to be able to execute contractual obligations related to University business affairs (including, but not limited to, Agreements, Contracts, Licenses, Non-disclosures, Equipment Leases, Non-competes, Confidentiality, Power of Attorney, etc.) that do not exceed $250,000. Any agreements that exceed the $250,000 threshold, but are less than $500,000 can be signed by the Controller. Any business-type agreements that exceed the $500,000 threshold, but are less than $2,000,000, may be signed by the President, Provost, VP/CFO or VP Enrollment. All contracts that exceed the $2,000,000 threshold must be presented to the Board of Trustees for approval prior to execution by an authorized University officer or designee. The CFO has retained the authority to sign all real property leases no matter what the dollar level.

In accordance with the above, and prior to affixing a University-authorized signature, the Director of Procurement Services reviews the transaction and its supporting documentation for accuracy, adequacy, completeness, risk reduction and terms favorable to the University. Additionally, the Director of Procurement Services ensures a) that a legal review has taken place, as appropriate; b) that all University and governmental or award requirements have been met; and c) that any other University organization which may have an interest in such commitment (i.e. Risk Management, University Police, Facilities
Management, Environmental Health and Safety, Radiation Safety, etc.) is notified of the transaction.

In addition to the Director of Procurement Services, other existing written delegations of signature authority are as follows:

a) Assoc. Provost Academic Admin. & Research (Susan Burkett) – All research, research-related and sponsored award documentation/contracts (identified in University-level policy).

b) Vice President and General Counsel (Mary Jo Dively) – Agreement with any law firms or attorneys who are retained to either (a) perform any services for the University (other than teaching as faculty), and/or (b) be paid from any account of the University.

c) Associate Vice President, Campus Design & Facilities Development - contractual obligations related to construction and renovation of campus owned or lease facilities (including, but not limited to, Agreements, Contracts, Licenses, Equipment Leases, etc.) that do not exceed $250,000.

d) Associate Vice President for Enrollment - contractual obligations related to Campus Services (including, but not limited to, Agreements, Contracts, Licenses, Equipment Leases, etc.) that do not exceed $250,000.

Please note that the Accounts Payable department has been instructed not to automatically pay any invoice submitted under a contract/agreement that has not been properly executed by an authorized University signatory.

6.5 Making a Purchase with Petty Cash

Petty cash funds can be used for making purchases, where appropriate, and to reimburse individuals for non-travel, out-of-pocket expenditures, including those less than $25 (Ref. the Petty Cash policy and procedures). The dollar
limits for the fund total may be set at the discretion of the department, but must be approved by Accounting Services prior to initiation.

Petty cash funds can not be used for the following:

- Travel expense reimbursements. Use the standard travel expense report.
- Travel advances. All travel activities must be reported through the travel reimbursement process.
- Payment for items that are to be purchased through the purchasing system, including the use of the Procurement Card and payments to suppliers for invoices where a purchase order was issued.
- Payments to independent contractors, consultants, awards, etc. to non-University employees. These payments should be processed through the Special Services payment process.
- Payments to employees for services, awards, bonuses, etc. These payments should be processed through the appropriate Special Services/Payroll process.
- Payments of a taxable or non-taxable benefit to an individual. These payments should be processed through the appropriate Benefit/Accounting process.
- Payments to University service centers (e.g., University Shoppe, etc.). Use the proper requisition form or Procurement Card.
- Personal borrowing (IOUs).

Petty cash funds are initiated by a written request to Accounting Services, including information about the intended purpose and use of the funds, identifying a custodian of the fund, and with authorization by the Department Business Manager or higher. The fund should be secured at all times. The custodian is responsible for monitoring and replenishing the fund, and there should be limited physical access to the fund. The custodian is also responsible for ensuring that the fund is used to cover only those expense reimbursements where it is impossible or infeasible to use normal purchasing methods, such as a purchase order or the Procurement Card.

For further details, refer to the University's Petty Cash Policy and Procedures.

### 6.6 Deliveries

University Receiving and Stores (URS) located at 6555 Penn Avenue is available to receive purchases that cannot be delivered directly to the requester or end user. This service is available to all campus buyers except those located in Mellon Institute; a storeroom is located in Mellon Institute to serve its needs.
The first choice for delivery should always be directly to the requester’s location. When size, weight or limited storage space are an issue, the item(s) can be delivered to the Penn Avenue location. It is very important that a contact person’s name be included in the delivery instructions given to the supplier. Upon receipt, URS will contact this person for detailed delivery instructions.

For liability reasons, the University strongly discourages having personal purchases delivered to the University. Such purchases should only be delivered to a home address.

**FOB & Shipping Costs**

When a purchase is being made, the buyer and supplier must determine which of two ways a shipment will be handled:

- **FOB (Freight On Board) Delivered (Destination):** Ownership (title) of the goods transfers to the buyer when the item is received by Carnegie Mellon; this is significant when there is a shortage or damage to the goods. FOB Delivered means that the supplier will be responsible to file a damage claim with the freight hauler.

- **FOB Shipping Point (Origin):** The buyer takes ownership of the goods at the supplier's dock. If the item(s) is damaged when received, it is the buyer's responsibility to file a claim with the freight company.

There is no significant price impact between the two FOB choices. Shipping costs are separate and are negotiable. Shipping costs can either be “allowed” (supplier will assume the cost of shipping) or “pre-paid and add” (costs of shipping will be added into the invoice). The preferred choice is “allowed”.

**URS Receipt of Shipments**

Upon receipt of the item(s), URS will inspect the shipment for evidence of damage. If none is detected, the item(s) will be delivered to the buyer or the designated location. If there is evidence of damage or a shortage, URS may refuse the shipment, in which case it is returned to the seller and the buyer is notified of the problem.

**Imports/Exports**

Import and export laws have become very complex in the past several years. The University retains the services of both a) an attorney with expertise in these areas (contact University legal counsel for advice); and b) a company which is a freight forwarder, customs broker and air freight agent. If expertise is needed in obtaining import entrance through customs or exporting items to international locations, you may contact: R. L. Swearer Co. at (412)269-1919. There are fees involved.
6.7 **Concealed Damage**

The buyer is responsible to contact the supplier if concealed damage is discovered when a package is opened. This applies to both deliveries received directly from the supplier or from URS. The FOB selection that was made at time of purchase will determine responsibility. If the purchase was FOB Origin (see above), the buyer will need to file a claim with the carrier within fifteen (15) days of the original receipt by Carnegie Mellon. If assistance is needed in filing the freight claim, contact URS at 412-268-2930.

6.8 **Invoice Processing and Credit Memos**

If a purchase is made using the Procurement Card, the supplier should send a net zero dollar invoice directly to the Cardholder. This invoice is for the buyer’s informational purposes only, and is not payable by the University.

If a purchase order is used, the supplier should send the priced invoice to Accounts Payable, who matches the invoice with the purchase order and the system receipt, if applicable, and schedules the invoice payment date. The Cardholder/buyer is responsible to track and ensure that credit memos issued for returned items are received from the supplier in a timely manner and that they are credited to the correct account.

Contact a Commodity Manager if a dispute with a supplier can not be resolved.

6.9 **Prompt Payment Discounts**

The Oracle purchasing system has choices for prompt payment discounts. Net thirty (30) days means that the supplier expects to get paid in full within thirty (30) days from the date of the supplier’s invoice. 2%10, Net 30 means that the supplier is offering a two percent (2%) discount off the total price of the order if the University will pay the invoice within ten (10) days of the invoice date. If early payment can not be made, then the terms revert to net 30 days. It is the
buyer’s responsibility to negotiate the best payment terms acceptable to each party.

6.10 Surplus Property

URS operates a recycling and sales program to facilitate the disposal of surplus equipment and supplies. Various options, such as surplus items being placed on consignment, donations to local charities and sales to resellers, can be negotiated. Contact 412-268-2930 for more information.

6.11 Services and Supplies

Available at the University

Some goods and services can be obtained directly through campus services using an internal requisition. The University Shoppe, Art Store and Computer Store also accept the Procurement Card. Check with the campus service for purchasing methods and other information.

<table>
<thead>
<tr>
<th>Description</th>
<th>Department</th>
<th>Location</th>
<th>Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Addressing/mailing, Bulk mail</td>
<td>University Printing</td>
<td>6555 PA</td>
<td>x8-2970</td>
</tr>
<tr>
<td>Art supplies</td>
<td>University Shoppe</td>
<td>UC</td>
<td>x8-2968</td>
</tr>
<tr>
<td>Audiovisual supplies</td>
<td>Instructional</td>
<td>BLDG D</td>
<td>x8-2430</td>
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<td></td>
<td>Technologies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Books</td>
<td>University Shoppe</td>
<td>UC 209</td>
<td>x8-2129</td>
</tr>
<tr>
<td>Catering</td>
<td>Dining Services</td>
<td>UC 209</td>
<td>x8-2129</td>
</tr>
<tr>
<td>Copier paper</td>
<td>URS</td>
<td>6555 PA</td>
<td>x8-3301</td>
</tr>
<tr>
<td>Computer repair</td>
<td>Computer Repair</td>
<td>CYH A-75</td>
<td>x8-2661</td>
</tr>
<tr>
<td>Computers/Peripherals</td>
<td>Computer Store</td>
<td>UC</td>
<td>x8-2636</td>
</tr>
<tr>
<td>Chemicals &amp; lab supplies</td>
<td>Chemistry Stores</td>
<td>DH A200</td>
<td>x8-2342</td>
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<tr>
<td></td>
<td>Mellon Stores</td>
<td>MI 389</td>
<td>x8-3212</td>
</tr>
<tr>
<td>Editing/typesetting</td>
<td>Univ. Pubs.</td>
<td>6555 PA</td>
<td>x8-2970</td>
</tr>
<tr>
<td>Construction, renovation</td>
<td>CD&amp;FD</td>
<td>4615 Forbes</td>
<td>x8-6156</td>
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<tr>
<td>Facility repairs</td>
<td>FMS</td>
<td>FMS B</td>
<td>x8-3415</td>
</tr>
<tr>
<td>Gas cylinders</td>
<td>Mellon Stores</td>
<td>MI 389</td>
<td>x8-3212</td>
</tr>
<tr>
<td>Service</td>
<td>Location</td>
<td>Phone</td>
<td></td>
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<td>-------------------------</td>
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<td></td>
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<tr>
<td>Money orders</td>
<td>Post Office</td>
<td>4902FRBS 231 x8-2927</td>
<td></td>
</tr>
<tr>
<td>Name plates</td>
<td>Machine Shop</td>
<td>MI 238 x8-3218</td>
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<tr>
<td>Notary</td>
<td>See Faculty/Staff Directory</td>
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<td></td>
</tr>
<tr>
<td>Office supplies</td>
<td>University Shoppe</td>
<td>UC x8-8765</td>
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<tr>
<td>Photography</td>
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<td>Post Office</td>
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</tr>
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<td>Proposal writing</td>
<td>Development Office of Sponsored Research</td>
<td>WH 5th floor x8-2135</td>
<td></td>
</tr>
<tr>
<td>Shipping/receiving</td>
<td>URS Mellon Stores</td>
<td>6555 PA x8-3301</td>
<td></td>
</tr>
<tr>
<td>Temp Employment Services</td>
<td>HR WHIT</td>
<td>x8-4747</td>
<td></td>
</tr>
</tbody>
</table>
6.12 **Purchasing**

**Responsibilities**

**By Organization**
The following lists the responsibilities of each organization when making University purchases.

<table>
<thead>
<tr>
<th><strong>Originating Department (Authorized Buyer)</strong></th>
<th><strong>Responsibilities</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Determines need.</td>
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<tr>
<td></td>
<td>Prepares specifications.</td>
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<tr>
<td></td>
<td>Contacts a Commodity Manager at any point, if assistance is needed.</td>
</tr>
<tr>
<td></td>
<td>Completes Purchasing Checklist and Bid Summary Form, as required.</td>
</tr>
<tr>
<td></td>
<td>Selects supplier and rationalizes choice.</td>
</tr>
<tr>
<td></td>
<td>Negotiates appropriate terms and conditions.</td>
</tr>
<tr>
<td></td>
<td>Determines price reasonableness.</td>
</tr>
<tr>
<td></td>
<td>Obtains appropriate approvals.</td>
</tr>
<tr>
<td></td>
<td>Makes purchase using the Procurement Card, internet order or purchase order.</td>
</tr>
<tr>
<td></td>
<td>Receives merchandise and compares receipt with original order.</td>
</tr>
<tr>
<td></td>
<td>Electronically receives the item(s) in the Oracle system to indicate acceptance, if necessary.</td>
</tr>
<tr>
<td></td>
<td>Negotiates settlements of disputes with supplier (with assistance from PS, if desired).</td>
</tr>
<tr>
<td></td>
<td>Uses Oracle to distribute the charges, if needed, when the Procurement Card or internet order is used.</td>
</tr>
<tr>
<td></td>
<td>Provides PS with appropriate documentation supporting transactions placed on purchase orders, as appropriate.</td>
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<tr>
<td></td>
<td>Provides invoices and packing slips to Accounts Payable as necessary.</td>
</tr>
<tr>
<td></td>
<td>Reconvenes Procurement Card monthly transactions and forwards the receipt packet documentation/packing slips to Procurement Card Administration.</td>
</tr>
<tr>
<td></td>
<td>Provides a business justification for all Procurement Card transactions.</td>
</tr>
</tbody>
</table>

**Sponsored Project Accounting**

For purchases using sponsored research funds:

- Verifies that purchase is allowable and ensures funds are available.
- Obtains prior approval, if needed, from sponsoring agency.
- Calls the Principal Investigator to resolve deficiencies.
- Signifies compliance with contract.
- Approves or disapproves all PO transactions of $5,000 or greater.
**Property Accounting Services**
- Reviews all issued purchase orders in amounts of $5,000 or greater for capitalization purposes and application of appropriate capitalization accounts.

**Accounting Services**
- Receives invoice from supplier.
- Verifies receipt.
- Schedules invoice payments.
- Pays supplier when approvals are in order.
- Pays the bank for all Procurement Card transactions.

**Procurement Services (PS)**
- A signatory for services contracts
- Leads Commodity Management Teams.
- Provides Product/Services Management expertise.
- Operates the Preferred Supplier process and program.
- Coordinates purchases to achieve maximum discounts.
- Coordinates purchasing efforts across departmental lines.
- Ensures sound and ethical business practices are followed.
- Ensures consideration of small, disadvantaged, women-owned, veteran-owned, disabled veteran-owned and HUBZone businesses
- Checks and coordinates University insurance requirements.
- Standardizes University procurement forms, terms & conditions, and contracts.
- Provides mandatory PO approval on federally funded acquisitions with non-Preferred Suppliers equal to or exceeding $10,000.
- Minimizes University risk/liability.
- Assists buyers at any point in the purchasing process, if requested.
- Maintains the following records:
  - Purchasing Checklist and Bid Summary forms;
  - Purchase order files and supporting documentation;
  - Original contracts and agreements
- Periodically audits buyers and suppliers for compliance with policies, procedures, contracts and agreements.
- Provides Help Desk support for purchasing processes and procedures.
- Administrates the University Credit Card Program(s).
- Ensures sound and ethical business practices are followed.
- Maintains the following records:
  - Procurement Card monthly receipt packets and all related supporting documentation.
- Periodically audits cardholders and suppliers for compliance with policies, procedures

**Financial Systems**
- Provides Help Desk support for the Oracle and other financial systems.
6.13 Supplier

Unsatisfactory Performance

Supplier performance is extremely important as it relates to the provision of information, delivery schedules/promises, on-time performance of services, warranty support, accuracy in billing/invoicing, willingness to correct deficiencies, timely responses to inquiries and willingness to negotiate the University’s special needs. In an effort to be fair to suppliers who wish to continue the pursuit of University business, it requires written documentation of deficiencies in order to eliminate an existing University supplier from current and future bid lists and University business. Therefore, should any buyer experience unsatisfactory performances by the supplier they are using, that inadequate performance should be documented (Ref: Supplier Performance Report) and transmitted to Procurement Services.

If the problem(s) appears to be isolated, PS will work with the supplier to correct the deficiencies. Should problems be numerous, consistent and not be corrected in a reasonable amount of time after notification to the supplier, PS may make the decision to eliminate the supplier from bid lists and continued University business.

If a buyer still wishes to use a supplier who has been suspended by PS, then a written justification and request for exemption must be submitted to PS, no matter what the dollar level, prior to the issuance of the commitment.