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POLICY

The University will purchase competitively and seek maximum educational value for every dollar expended. Purchases made by anyone not authorized by the appropriate officials shall become the personal responsibility of the persons making the purchase agreement. The University will not, under any circumstances, be responsible for payment for any materials, supplies, or services purchased by unauthorized individuals or in an unprescribed manner.

All goods or services obligating Bethel University require a Purchase Order issued by the Business Office. Any obligation referencing Bethel University without a proper Purchase Order (P.O.) will be considered an unauthorized purchase and will be the personal responsibility of the person who placed the order. **It shall be Bethel University's policy to require that all requisitions for purchases or check requests be approved by the departmental supervisor and the appropriate Cabinet-level officer. The Cabinet-level officers shall be responsible for monitoring budgets and making appropriate adjustments within their area of responsibility.**

ROUTINE PURCHASES

Routine purchases shall include expenditures for materials, supplies, services, salaries, and routine expenditures required for the operation of the University. These expenditures shall be anticipated and provided for in the budget and will normally be authorized by the Board of Trustees at the beginning of the fiscal year.

SPECIAL PURCHASES

Special purchases are those which are not routine and which may or may not be specifically identified by line item in the budget. Examples of special purchases are all capital expenditures such as for vehicles, buildings, major

contracts, purchases of major equipment, items for long- term use and supplies of an unusual quantity or nature. All purchases in this category shall require specific approval by the University President on an item-by-item basis. In his approval, the President may place constraints on the purchaser requiring further evaluation and/or approval at various steps in the procurement process. This will be determined by the President on an individual basis depending on the nature of the procurement action.

EMERGENCY PURCHASES

Emergency purchases are those which are necessary to avert hazards which threaten health or safety, to protect property from damage, or to avoid major disruption of educational activities. If within budgetary limits and deemed essential, emergency purchases may be made by the Cabinet-level officer. However, if the purchase is of such significant magnitude as to impact the integrity of the budget, the Cabinet-level officer shall meet with the President and/or the Vice President of Finance/CFO to deal with the matter. In any event, the President and/or Vice President of Finance/CFO shall be advised promptly of all emergency purchases.

Items that cost up to one hundred dollars (\$100) or less, needed in emergency situations or involving extraordinary circumstances, may be purchased by an employee (with personal funds) without a purchase order; however, reimbursement to the employee for the purchase is contingent upon available budget account funds and subsequent approval.

PROCEDURE

1. An employee submits a Purchase Requisition Form to the Business Office describing the item/service, quantity, and cost. The form must include the entire 15-digit account number(s) for the purchase and the approval of the department/division chairperson and a Cabinet-level officer.
2. The Business Office checks the forms for completeness, including account number(s) and proper approval.
- 3. Purchase Requisition Forms must be submitted by Friday at 4:30 p.m. for a Purchase Order to be issued by Friday of the following week.**
4. On Monday, the Business Office forwards the requisitions to the Director of Business Affairs and/or Vice President of Finance/CFO for approval.
5. The Director of Business Affairs and/or Vice President of Finance/CFO

determines:

- The usefulness/practicality of the item/service.
 - The availability of budget funds.
 - Considers cash flow constraints.
6. If the purchase is approved, the requisition form is signed by the Director of Business Affairs and/or Vice President of Finance/CFO and returned to the Business Office for further processing.
 7. A Purchase Order document is prepared by the Business Office for the approved requisition. A purchase order is issued to the employee who requested the item/service, indicating the approval of the purchase. The order for the product/service can be made by the employee at that time.
 8. Once the item/service is received, a copy of the Purchase Order with a signature indicating receipt of goods/service must be returned to the Accounts Payable Coordinator for matching with the invoice. An email to the Accounts Payable Coordinator may be submitted in lieu of the signed copy of the purchase order.
 9. The Business Office assigns an asset tag number to the purchase if it meets the rules of capitalization as specified in the Fixed Assets & Depreciation Policy (#1.850).
 10. When the invoice/statement from the vendor is received, the Accounts Payable Coordinator compares the vendor's invoice to the signed Purchase Order to verify the items purchased.
 11. If all is correct, the Accounts Payable Coordinator prepares the invoice for payment. A copy of the completed purchase order is attached to the invoice, and the invoice is processed for payment.

UNAUTHORIZED PURCHASES

A Purchase Requisition form must be completed and submitted to the Business Office for all goods and services procured, regardless of the method of payment. If the President grants a special approval, written documentation of that approval (with his signature) must be submitted to the Business Office within three days of the agreement being made. All invoices received from vendors that do not have approval will become the personal liability of the employee who made the purchase. The cost of the unauthorized item(s) will be deducted from the employee's payroll check(s) if other acceptable payment

arrangements are not made.

RESPONSIBLE PARTIES

President, Vice President of Finance/CFO, Business Office personnel, Cabinet-level Officers, Departmental Supervisors, any/all employee(s) making purchases for the University

PUBLICATION

This policy is published on the University's website.