

SEWANEE

THE UNIVERSITY OF THE SOUTH

Purchasing Policies and Procedures

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Introduction

The Purchasing Office of The University of the South (the University) is responsible for performing purchasing functions in compliance with all current rules and regulations as defined by the University Administration, and any applicable state and federal regulations. The Purchasing Office is located in the Business Services Office. If we can be of assistance to your department, please contact the Purchasing Manager at jdbrewer@sewanee.edu or call ext. 1250.

Mailing Address:

Purchasing Office
University of the South
735 University Avenue
Sewanee, TN 37383-1000

1. Purchasing Policy

The function of the purchasing policy of the University is to obtain all supplies, equipment and services at the lowest cost to the University that meet or exceed the University's specifications for performance, quality and availability at the time of purchase. This policy identifies the essential activities and primary responsibilities of the purchasing function. All employees with purchasing responsibility and their designees or delegates must adhere to this policy. Competitive bids will be solicited whenever possible and in compliance with all applicable state and federal regulations and University policies.

1.1. Purchasing Mission and Objectives

The mission of the Purchasing Office at the University of the South is to ensure the timely and efficient purchasing of quality goods and services for the Academic and Administrative Departments of the University from qualified vendors at the best overall value.

To fulfill this mission, the Purchasing Office develops and maintains reliable sources of supply, obtains competitive bids, negotiates major contracts, consolidates University purchases, issues Purchase Orders and monitors the University's purchasing policies. It ensures standards of quality and compatibility, and acts as one of the designated agents of the University for the commitment of resources. This purchasing policy establishes the process for purchasing quality goods and services necessary to support the mission, goals and objectives of the University, while ensuring that University resources remain protected and optimized.

Centralized purchasing authority provides a focal point for guidance and ensures that the University acts in a consistent, prudent and ethical manner in its purchasing activities by

- Leveraging contract negotiation and vendor management
- Overseeing efficient transaction processing using the Banner Purchasing System

- Maximizing the University’s purchasing power by focusing on strategic sourcing and obtaining the best value at the best pricing
- Supporting the University’s commitment to environmental responsibility
- Supporting the local business community
- Assisting departments involved in state and federal contracts and grants in maintaining compliance to all applicable regulations
- Ensuring that purchases comply with all applicable University policies, and assisting departments in maintaining compliance with all University policies related to contracting and purchasing
- Monitoring purchasing policies and procedures to ensure that they remain current, accurate and relevant
- Minimizing risk exposure while maintaining flexibility in purchasing activity

1.2. Authority for Purchasing

The University delegates considerable authority to Divisions to make purchasing decisions. The Vice President for Finance and Treasurer, Director of Business Services, and the Purchasing Manager have the ultimate responsibility for establishing the policies and guidelines, which University employees must follow in conducting purchasing activities. All purchasing decisions must be made with the utmost consideration for what is in the best interest of the University and must comply with the University’s purchasing policies and guidelines. The Purchasing Policy applies to all University purchasing activities regardless of the funding source. Buyers must follow the terms of sponsored programs, federal or state grants, or donor’s limitations where applicable and which may be more restrictive than the University’s policies and guidelines. The contract value thresholds as specified in section 2.2 govern the execution of contracts, which often involve multi-period commitments and liability issues.

Purchasing transactions not requiring a contract are governed by the purchasing thresholds in this section. The execution of contracts, which often involve multi-period commitments and liability issues, are governed by the contract policy and the execution thresholds summarized in section 2.2.

Departmental budgeted funds provide the limits for purchasing. Organization managers, who are listed in Banner as the financial manager of the Banner defined six digit Organization “Orgs”, must authorize all purchases within their Organization. Further approval may be required by Division Managers or their delegate according to the list of thresholds below.

Division Managers (who oversee a collection of Orgs) with reference to the purchasing approval, thresholds below include:

Associate Provost, Library and ITS
Director, Athletics
Director, Business Services
Director, Facilities Maintenance
The Provost
University Chaplain
Vice President for Academic Affairs and Dean of the College
Vice President and Dean of the School of Theology
Vice President for Enrollment Planning
Vice President for Finance and Treasurer
Vice President and General Counsel
Vice President, Risk Management
Vice President for Student Life and Dean of Student Affairs
Vice President University Relations

Approval to spend budgeted funds are subject to the following thresholds:

- Organization Managers can approve transactions up to \$4,999.
- Division Manager or designee must approve transactions from \$5,000 to \$9,999.
- Division Manager must approve transactions from \$9,999 to \$39,999.
- VP for Finance and Administration must approve transactions from \$40,000 to \$99,999.
- Provost must approve transactions above \$100,000.

Division Managers, the Director of Business Services or the Purchasing Manager may assign purchasing related activities to a designee. These purchasing related activities include:

- Managing the assessment and selection process for all approved vendors
- Determining needs, specifications and deliverables
- Evaluating proposals and documenting rationale for selection
- Executing purchases using the most appropriate purchasing method
- Receiving and inspecting goods or accepting service deliverables
- Resolving with vendors any discrepancies in price or quantities and condition of goods or services received
- Approving invoice payments
- Gathering bids for general use products and services, and supporting department-specific sourcing projects

- Managing ongoing business relationships with key vendors

1.3. Purchasing Organization

The Purchasing Office is the organization that assists all academic and administrative departmental employees with the purchase of all general supplies, furniture, equipment, vehicles and services for the University.

The Purchasing Office [website](#) contains comprehensive information about purchasing operations including approved vendors, preferred vendors, contract programs, organizational structure, purchasing contact information, and information for vendors.

Preferred Vendors

The University will establish and maintain a list of preferred vendors for supplying goods and services to the University. These preferred vendors will provide negotiated pricing and help streamline the purchasing process for commonly purchased items. The University selects the vendors based on stability, product quality, service level agreement, responsiveness, product variety, and pricing. These agreements allow the University to achieve the best value for the University by consolidating expenditures with fewer vendors. The University actively manages these relationships through regular meetings and correspondence with the vendors, pricing reviews and follow-ups on service and performance issues. A list of preferred vendors is on the Purchasing website. All individuals with purchasing responsibilities should use the preferred vendors whenever possible.

1.4. Vendor Reference List

Upon request, the Purchasing Office will provide Vendor Reference Lists for the supply of goods and services to the University. The University will compile customized lists from current reliable sources. The lists will help buyers identify vendors in a particular area to assist in obtaining multiple quotes. Obtaining quotes from multiple vendors, helps ensure that the departments and the University obtain the best quality products at the very best pricing.

1.5. Purchasing Office Functions

While the services performed by the Purchasing Office vary according to the individual needs of the University departments, the following is a list of services with which Purchasing will assist:

- Review and process Purchase Orders (PO)
- Review and process PO change orders
- Prepare and issue Requests for Proposals (RFP) or Requests for Quotation (RFQ)
- Determine optimal ordering method to meet institutional or department requirements at the lowest possible cost
- Analyze quotations and proposals and make recommendations for contract awards
- Evaluate potential vendors
- Manage general use of vendor programs for the University
- Negotiate and review contracts and service agreements
- Negotiate and review equipment leases and rental agreements
- Conduct training sessions for purchasing systems and procedures (e.g. Banner Purchasing module)
- Identify cost reduction opportunities
- Conduct price analyses as requested
- Participate in shared and group purchasing, and manage group purchasing organization (GPO) relationships
- Negotiate price adjustments with vendors
- Assist with audits and reviews as required
- Represent the University at educational purchasing conferences

1.6. Purchasing Office Documents

The Purchasing Office assists with gathering information pertaining to ongoing and future general purchasing contracts, processes and policies. Purchasing also assists with developing RFPs, contracts and service agreements, Purchase Orders and Purchase Order changes. This policy accomplishes several goals:

- RFPs will be uniform in organization and content and complete with terms and conditions of the solicitation to which vendors must agree before submitting proposals.
- The use of a standardized RFP process improves the quality of vendor proposals received and makes the evaluation process more competitive and comprehensive.
- Purchasing is the centralized office for responding to vendor and public inquiries regarding specific projects, or general questions concerning purchasing activities at the University. Purchasing assists designated buyers with questions or projects as requested.

2. Policies and Code of Ethics

2.1. General Purchasing Policies

Purchase Orders require the approval of the appropriate fund manager, and confirmation that sufficient funds are available. A Purchase Order or the University P-Card is required to purchase goods and services on behalf of the University. Section 2.3 below outlines purchasing thresholds, corresponding dollar amounts, and the appropriate purchasing methods for each threshold.

The University does not discriminate against vendors based on any category protected by law, whether federal, state, or local ordinance. The University conducts business with sustainable small businesses in and around the community. The University encourages qualified small and minority-owned businesses to respond to request for proposals. The Office of General Counsel reviews contracts to determine the acceptable legal risk level.

Adherence to State and Federal Regulations: The University follows state and federal regulations for purchases utilizing government funding.

2.2. Contract Approval and Signatures

The University has a [Contract Policy](#) to follow when negotiating, writing, and developing a contract. The policy includes signature thresholds.

The University requires signatures on all contracts. The table below provides the authority for signing contracts according to dollar thresholds:

Authorized to Sign Contracts	Total Value of Contract
Vice-Chancellor	All contracts delegated to Provost
Provost	\$100,000+
Vice President for Finance and Treasurer, Vice President for Facilities Planning and Operations	<\$100,000
Dean of the College	<\$40,000
Dean of the School of Theology	<\$25,000
Dean of Students, the Dean of Admission and Financial Aid, Vice	<\$10,000

Unless specifically named in the policy above, other employees do not have the authority to enter into and sign contracts with vendors. Employees involved in purchasing and negotiating terms for purchases must also comply with the required reviews and approvals set out in the Contract Policy. Refer to the [Contract Policy](#)

This section of the policy references to the purchases involving contracts. Review the specific thresholds for non-contract purchases in Section 1.2.

2.3. Purchase Orders

University employees are responsible for obtaining the best value for the University in the purchasing of all goods and services. Toward that end, Purchase Orders and competitive sourcing are required for all single purchases over \$500, except for travel-related expenses. Employees should use the University P-Card when traveling. The competitive sourcing guidelines are in section 9.2.

Buyers have a responsibility to follow ethical practices of the purchasing profession. The Purchasing Office is committed to adhering to the codes of conduct, obligations, and ethics mandated by the [National Association of Educational Procurement](#). All individuals who are purchasing items should use their best judgement when making decisions. In all cases, select the vendor with the lowest price that meets all requirements.

2.4. Confidentiality

Purchasing Office maintains regular contact with many individuals and companies seeking to initiate or expand business relations with the University. University employees who meet with vendor representatives should be constantly aware of the University's image and reputation with the vendor community and always act in a manner that is fair, courteous and consistent with University policy. If a dispute arises with a vendor that is not easily resolved, University employees should contact the Purchasing Office for advice and assistance.

The University is committed to ethical business practices that encourage competition and enhance our vendor relationships. Maintaining the confidentiality of all vendor proposals, quotations, prices, contracts and other proprietary materials is essential. All individuals have an obligation to protect confidential materials and information, and prevent other vendors, outside organizations or any unauthorized persons from obtaining access.

Disclosure of confidential materials and information is not only professionally unethical and damaging to negotiations with vendors, but it could expose the University to possible legal action. If you have questions about any request to provide information concerning contracts, pricing, vendor proposals or other internal information, contact the Office of General Counsel or the Purchasing Office for guidance.

2.5. Code of Ethics and Conduct

The University prohibits any employee engaged in purchasing supplies and services and in the award and administration of contracts from having a financial interest in the purchase or gain from a vendor. The University follows the Code of Ethics formulated by the National Association of Educational Procurement (NAEP):

- Consider the objectives and policies of my institution.
- Strive to obtain the maximum value for each dollar of expenditure.
- Decline promotional gifts from vendors.
- Grant all competitive vendors equal consideration insofar as state or federal statute and institutional policy permit.
- Conduct business with potential vendors in an atmosphere of good faith, devoid of intentional misrepresentation.
- Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement or a sample of the product.
- Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
- Make every reasonable effort to negotiate an equitable and mutually agreeable settlement pertaining to any controversy with a vendor; and/or be willing to submit any major controversies to arbitration or other third-party review, insofar as the established policies of my institution permit.
- Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
- Foster fair, ethical and legal trade practices.
- Counsel and co-operate with NAEP members and promote a spirit of unity and a keen interest in professional growth among them.

<http://www.naepnet.org/page/CodeOfEthics>

2.6. Conflicts of Interest

The University is particularly diligent, and as a general rule avoids entering into purchasing contracts with its students, employees, members of their immediate families or any other individual who could be perceived as having a potential conflict of interest. Employees conducting business on behalf of the University, including negotiation or authorization of contracts or transactions for services, goods or products from an individual, company or other third party, are obligated to make all decisions related to these transactions for the best interest of the University. This obligation requires that employees avoid conflicts of interest that may impair their judgment in University business. Employees must avoid actual or apparent conflicts of interest and, if a conflict of interest exists, must disclose the conflict to their supervisor for appropriate resolution. A conflict of interest arises when an employee or family member has an existing or potential personal, financial or other interest that (a) impairs or may reasonably appear to impair the employee's independent judgment at the expense of the University; or (b) may result in personal gain at the expense of the University. For purposes of this policy, a family member includes a spouse or domestic partner, member of the same household, parent, grandparent, child or grandchild, sibling, aunt or uncle or such relationships that are "step" or "in-laws" relationships. Personal gains that would be evidence of a conflict of interest financial gain, bonuses, fringe benefits, promises of employment, bribes, kickbacks, or other in-kind gifts designed ultimately to benefit either the supplier, vendor, donor, other third parties, and/or the employee involved.

University employees shall refrain from accepting gifts, trips, or favors of monetary value from any third party doing business with the University where the employee has any responsibility for the negotiation or acceptance of terms of business or purchase with the third party. Any University employee who has any influence on transactions involving purchases, contracts, leases, or business matters must make full disclosure of the existence of actual or apparent conflict of interest to those at the University involved with the transaction. Refer to the [University's Conflict of Interest Policy](#) and [Financial Conflict of Interest Policy](#).

2.7. Gifts from Vendors

University employees should act to minimize gifts of money, loans, credits, entertainment, favors, services or in-kind gifts from current or prospective vendors. Such gratuities, even if of seemingly low value, can give rise to a conflict of interest, or the appearance of a conflict of interest.

In particular, prior to, or during a bid process, the University prohibits employees from accepting a gift from a current or prospective vendor that has submitted or may submit a bid for a University contract. In addition, employees should not accept gratuitous offers of tickets for entertainment, sporting events, accommodations or any other in-kind gift from a current or potential vendor.

If a current vendor mails or delivers a gift to an individual employee, the employee should report the gift to the department supervisor. If the gift is valued at more than \$50, the recipient should return the gift to the vendor. If the value of the gift is less than \$50 and divisible (e.g. cookie or candy), the recipient should share the gift with the entire department. If the gift is not divisible, conduct a lottery within the department among employees to determine who should receive the gift. If at any time, there is a question regarding a gift, contact the department supervisor or Purchasing Office for advice. Employees are responsible for informing the vendor, potential vendors or others of this policy.

2.8. Vendor Meals

Vendor meals, at which external vendors and faculty, staff, or students are present, for conducting University business, should be charged to departmental budgets.

2.9. Personal Purchases

Because of the tax-exempt status of the University, the Purchasing Office cannot issue Purchase Orders for personal purchase, nor can employees use a P-Card for personal purchases. This stipulation applies regardless of whether the employee pays the normal sales and other taxes, directly to the vendor or the vendor through the University. Vendors are under no obligation to offer discounts to University employees. If they choose to do so, their offer does not obligate the University to do business with them in the future.

2.10. Splitting Purchase Orders

Splitting large purchases into smaller purchases in order to bypass purchasing threshold rules violates the Purchasing Policy.

2.11. Unallowable and Unauthorized Purchases

Individuals are required to purchase items that support the mission of the University. The University provides a specific list of items that do not meet the stated requirement. In addition to the list, some items and services even though

they are NOT on the list, do not meet the requirement. If a legitimacy of a purchase is ever in question, contact the Director of Business Services or Purchasing Office prior to incurring the expense.

Specific list of Unallowable Miscellaneous Expenses Using University Funds:

- Purchase of any item that is lost or stolen is prohibited
- Cost of repairs for damage to personal vehicles, clothing or other items
- Reimbursement or expenditures required due to personal negligence expenses such as fines for parking, speeding tickets, fees for frivolous flight changes or avoidable missed flights
- Costs associated with towing charges for personal vehicles, University vehicles or rental vehicles incurred due to parking in illegal spaces or negligence of an employee
- Contributions to charities, foundations or any other organizations
- Donations to charities, foundations or any other organizations
- Excessive tips ([Refer to University Travel Policy forthcoming](#))
- Charges incurred related to travel, food or other expenses for spouse, children and unaffiliated companions
- Personal services, including medication or doctor's appointments
- Legal Services incurred for personal issues. Only the Office of General Counsel is authorized to retain outside counsel on behalf of the University.

2.12. Shipment Records

The vendor will provide the buyer with a packing list for all shipments delivered to the department. The buyer will verify that the items delivered match the packing list and the invoice. If the vendor fails to provide the packing list or invoice, the buyer should contact the vendor to request a copy of the list(s). Buyers must retain the packing lists and other documentation for the duration of any period of warranty or for one year, whichever is longer.

3. Purchasing Process and Methods

3.1. Banner Purchasing and Purchase Orders [new procedure]

The University purchases products and services through the Banner Purchasing System. Banner Purchasing is a software application for purchasing goods and services. Banner enables buyers, the Purchasing Office, and designated administrators to place orders, approve and dispatch orders electronically, with a high degree of efficiency, and without paper documentation.

3.1.1. Purchase Order Changes

Buyers will have the ability to make changes to a purchase order using Banner. Buyers can make changes to the price, quantity, delivery dates, and expense allocations to existing Purchase Orders. Changes will follow the same review and approval process in the Banner system.

3.1.2. Purchase Order Cancellation

Buyers who need to cancel a purchase order must contact the Purchasing Office. The Purchasing Office can cancel a Purchase Order in the Banner Purchasing system.

3.1.3. Purchase Order Returns

When a vendor has shipped items as specified on a purchase order, they have legally complied with their part of the contract, and are under no obligation to accept returned items for credit or refund. Buyers should receive prior authorization from the vendor before returning products to the vendor. The Purchasing Office can assist in securing return authorizations, credits or refunds from the vendor.

If a buyer requests a Return Authorization Number from the vendor for damaged products or products incorrectly shipped, the shipping label on the returned package must be marked with the Return Authorization Number. The buyer should place identifying information on the outside of the returned package for easy identification when received by the vendor.

3.1.4. Acknowledgements

Purchase Orders issued without a prior vendor quotation are contingent upon the acknowledgment and acceptance of the vendor. This is accomplished either by written acknowledgment of acceptance and projected shipping dates or shipment of the order. This acknowledgment constitutes a contract between the two parties and confirms the vendor's acceptance of the purchase order terms and conditions.

3.1.5. Purchase Order Terms and Conditions

University Purchase Orders have standard terms and conditions that protect the University's legal rights in transactions with vendors. These terms and conditions are general in nature and should not be confused with the product or service specifications set forth in a Request for Proposal

document. Vendors are required to adhere to both the contract specifications and the terms and conditions governing their work. Standard terms and conditions include:

Payment Terms: Net 30 Days from the Invoice Date - The University pays Invoices within 30 days from the date issued. Departments do not have the authority to change the payment terms or accept alternative vendor terms. The Vice President for Finance and Treasurer has the authority to change the payment terms.

Freight Terms: FOB (“Free on Board”) - These terms require the vendor to insure the safe transportation and delivery of shipments until they arrive at the University destination specified in the purchase order. The vendor will pay the freight charges (if any) and add to our invoice as a separate line item.

Conditions of Acceptance: Prior to signing any documentation accepting the shipment of any item(s), refer to section 8.4.

In the event of shipping damage or loss, the vendor is responsible for filing all claims with the shipping company and compensating the University for any losses. The standard purchase terms and conditions are located on the [Purchasing Office website](#):

3.1.6. Insurance Requirements

Prior to commencement to performing any work or service on the University property, the vendor must present evidence of appropriate insurance coverage. Insurance requirements consist of the following:

- Workers' compensation
- Public liability and property damage insurance
- Automobile liability insurance (including owned, non-owned, and hired vehicles)
- Umbrella/Excess Liability
- Where applicable, professional liability insurance

The Vendor must furnish the University with documentation for proof of insurance evidencing this insurance coverage prior to starting the work or providing the service. Generally, this proof of insurance will be a certificate of insurance that should have the University identified as

“additional insured.” Contact [Risk Management](#) with questions regarding insurance requirements.

3.1.7. Tax Exemption Certificates

As a not-for-profit institution, the University is entitled to claim exemption from most types of sales taxes. When purchasing from a new Tennessee vendor, it is important to provide the vendor with our Tennessee Tax exempt number. The University tax-exempt form can be located on the [Purchasing website](#).

3.2. Purchase Cards (P-Card)

The SunTrust MasterCard purchase card program has made purchasing from vendors more efficient and economically advantageous for the University. The University Purchase Card Program (P-Card) – utilizes the Purchase Card Program offered by SunTrust Bank. The P-Card is a MasterCard branded credit card that enables authorized employees to use the card for approved business-related expenses.

The intent of P-Cards is not to replace or bypass any existing purchasing methods through Banner. The purchase order and competitive bid requirements for all purchases over \$500 applies to P-Card purchases as well with the exception of travel expenses and meals. If you are not certain whether or not using the P-Card is appropriate, contact the Purchasing Office prior to making the purchase in question. P-Card holders are required to use their P-Cards for University travel and purchases. Credit card loyalty reward programs are not an acceptable reason for use of a personal credit card by purchase cardholders. (Refer to Section 3.3). The Accounts Payable Manager administers the P-Card program and issues P-Cards in the employee’s name. **Employees, under no circumstances, should use a P-Card for personal purchases.**

Review the [P-Card policy](#) prior to utilizing the P-Card for purchases.

3.3. Non-Purchase Order Purchases

Buyers occasionally need to purchase goods and services without a purchase order (Non-Purchase Order). This method is a limited-use means of paying outside parties when the nature of the transaction is outside the standard purchase order system. Buyers can utilize the P-Card for Non-Purchase Order purchases or complete Form 19 located on the Treasurer’s [website](#).

The list of approved uses for Non-Purchase Orders:

- Honoraria (occasionally)
- Stipends
- Reimbursements
- Utilities
- Employment Ads
- License and Fees

4. Purchase Order Approval Process

4.1. Responsibilities

All individuals who request a Purchase Order have a responsibility to follow University policies and procedures, as well as any applicable external agency requirements (e.g., legal or grant provisions). All requester requisitions certify that:

- The transaction has a valid business purpose within the context of the University's purpose
- The transaction complies with policies governing competitive sourcing (see section 9)
- The supporting documentation attached to the requisition is sufficient for subsequent audit review
- The COA string used is appropriate for the transaction (for questions on account usage, refer to the Chart of Accounts).
- The information provided is accurate to the best of the buyer's knowledge, including adequate disclosure of any potential conflicts of interest

4.2. Business Purpose

Buyers and organization managers are required to determine if the purchase is necessary and supports the University's mission of education and service. The buyer and organization manager will make this decision prior to submitting a requisition. The buyer will record a brief explanation justifying the purchase in the comments section on the purchasing requisition for all higher value, special or non-routine requests.

5. Receiving

The University receives goods shipped in many ways (i.e., common carrier, U.S. Postal Service, United Parcel Service, and local company-owned vehicles). The University does not currently have a central receiving area. Instead, the ordering department directly receives the shipments.

The purchase order contains specific shipping instructions to ensure accurate delivery. Buyers are responsible for contacting the Student Post Office, FM or Purchasing Office to arrange for shipment during academic breaks and for large items that require special handling requirements.

Delivery of requested products or services marks the transition in the purchasing process from a purchasing activity to an accounts payable activity. The buyer must receive, inspect and accept all purchases prior to releasing payment to the vendor. The purchase order must match the invoice. The University will authorize payment if the purchase order and invoice match. The buyer receiving the products or services must determine if they are acceptable. The entire receiving process consists of the following:

- Receiving – The buyer accepts delivery of a product or service.
- Inspecting – The buyer inspects the products delivered to determine if the product meets the requirements and the product specifications. Buyers should inspect products *prior* to signing any acceptance where the product is a special order, sensitive equipment, or high value. Additionally, buyers should inspect any product prior to acceptance where the packaging appears damaged or unusual or there is any indication that the contents may be damaged.
- Testing – The buyer tests some or all products delivered to determine if the products perform at a satisfactory level. This process normally pertains to purchases of software and capital equipment.
- Acceptance – The buyer acknowledges that the products or services conform to the requirements of the purchase order so that the vendor may be paid. If the buyer accepts delivery and does not notify the vendor or Purchasing Manager of quality or delivery issues in a timely manner, the product or service is considered accepted.

5.1. Receiving Product Delivery

Signing for Deliveries

Whenever possible, the buyer should sign the receiving documents provided by the vendor or shipping company. The person receiving the delivery should inspect the delivery before signing the delivery receipt. Submit the receipt to the buyer or to Accounts Payable for payment.

Refusing Delivery

Buyers should refuse to accept damaged products or any shipment if they are unable to confirm that their department placed the order.

5.2. Inspecting Shipments

Individuals receiving shipments should conduct an inspection to verify the following minimum conditions for all products:

1. The products conform to the requirements such as description, model number, size, etc.
2. The quantity ordered against the quantity shipped or delivered are correct.
3. There is no damage to the product.
4. Perishable item(s) are in good condition and the item(s) exceeds the expiration dates
5. The products operate and function properly.

Matching the Packing List to Purchase Order

During the inspection process, buyers should compare the vendor's packing list to the purchase order to determine if there are any discrepancies. At a minimum, the following information should be the same on both the packing list and purchase order:

1. Purchase Order number
2. Item or Manufacturer's part number
3. Quantity and unit of measure
4. Description of the products

Product Substitutions and Over-Shipments

The buyer or the Purchasing Manager are the only individuals that can approve a vendor product substitution or a change in quantity.

Partial Deliveries

Buyers will note partial delivery on the invoice. The individuals or departments notify the vendor with details related to the partial shipment. The University pays for only the items delivered and received.

5.3. Product Testing

Various products may require testing after delivery. For major capital equipment purchases, specific testing criteria should be included in the contract. Buyers must perform the testing according to the criteria established in the agreement and record the results.

5.4. Product Acceptance

Buyers are required to contact the vendor in a timely manner when rejecting products because of over-shipments, product defects or for any other non-conformance. Contact Accounts Payable or the Purchasing Manager to place the

order on payment hold until the situation is resolved. Buyers are responsible for storing rejected or defective products in a secured area. The buyer will be responsible for returning the products to the vendor for refund or replacement.

5.5. Product Return

Products that are damaged, that fail inspection or do not pass testing will be returned to the vendor. The buyer should request a Return Authorization Number from the vendor. Mark the shipping label with the supplied Return Authorization Number and write any necessary information or identification on the outside of the package. In order to return a product, the buyer should have prior authorization from the vendor. Accounts Payable or the Purchasing Manager can assist with returns, credits or refunds from the vendor.

5.6. Accepting Services

Buyers are responsible for accepting services. The below list of items is a guide in selecting services or authorizing work to begin.

- Notify a vendor or technician to begin the required work.
- Review the work performed to ensure the work meets the specifications, contract requirements and quality required.
- Monitor reports to ensure work is on time and following the contractual agreements.
- Review expenditures and funding.
- Keep accurate notes on work performed and on any performance discrepancies with the vendor(s).

Buyers are *not* authorized to do the following:

- Authorize a vendor or technician to begin work before a contract or agreement is completed and a Purchase Order issued.
- Change the requirement or contract without notifying the Director of Business Services, Assistant VP of Facilities Management or the Purchasing Office in writing.
- Request a vendor or technician to perform work that is not in the contract or agreement.
- Sign or agree to any additional work or service that is not in the existing contract or agreement without a written amendment to the original terms.

5.7. Declining Services

Buyers are responsible for declining services if the services, products or work is different from the original contract or agreement. If the services, products or work is defective or does not meet requirements, the buyer must decline the service or product.

5.8. Cash on Delivery (C.O.D.) Orders

The University will not accept C.O.D. orders. If a company or vendor is demanding C.O.D. payment, contact the Purchasing Manager and we will negotiate an alternative method of payment.

6. Purchase Order Types

6.1. Service/Maintenance Agreements

Service/Maintenance Agreement Orders are Purchase Orders used for maintenance services for equipment. Buyers request Service/Maintenance Agreements Orders when it is more cost-effective to contract with an external vendor to perform the services. Any request for a Service/Maintenance Agreement Order should receive prior review and approval according to the purchasing thresholds in section 1.2. Service/Maintenance Agreement Orders are for a specific amount of time and renewed as needed. Any request for Library and Information Technology Services (LITS) should receive prior review and approval according to the purchasing thresholds in section 1.2 and the Information Technology Services Division.

6.2. Emergency Orders

Contact the Purchasing Office as soon as a buyer determines a need for an emergency purchase. Emergency Purchasing situations occur when a delay in purchasing would lead to

1. A safety or health hazard to persons or property
2. Damage or future damage to University buildings or facilities
3. The loss of equipment or buildings
4. A violation of law, statute or ordinance established by governmental or other regulatory agencies
5. Harm to the University

Emergency conditions may result from fires, adverse weather conditions, or epidemic conditions. The conditions may also result from untimely breakdown,

damage or loss of equipment vital to the University. Failure to anticipate an operating need is not, of itself, considered an emergency. Utilize the University P-Card for emergency purchases. The Purchasing Office will issue the purchase order in circumstances where a purchase order is required due to the value or nature of the purchase. To initiate an emergency purchase, the buyer may call the Purchasing Manager to request a purchase order number. The Purchasing Manager will work with the buyer to expedite the process.

6.3. Lease / Lease Purchase / Rental Agreement (Equipment)

A lease is a contractual agreement by which one party conveys the right to use property for a specified time, subject to various conditions and for a specific amount of money. In a true lease, the property remains the sole property of the lessor (vendor), and the lessee (University) builds no equity in the leased property. The term of a lease is fixed in duration and is generally not cancelable. A rental agreement is similar to a lease in that the user does not build ownership in the asset. A rental agreement differs from a lease in the length of the agreement (usually less than one year) and the renter can usually cancel the agreement prior to the end of the agreement without penalty.

Operating Lease

Buyers lease equipment for a short-term period with an Operating Lease. Copiers, printers, and heavy equipment are items for which the University would consider an operating lease.

Useful Life of a Lease

The University will review the useful life of all leased equipment. The expected life of a piece of equipment, along with salvage value if any, are critical components in the decision-making process of whether to purchase or lease. If you need assistance with this analysis, contact the vendor, Accounting Office, Director of Business Services, or Purchasing Office.

6.4. Procedures for Negotiating & Processing Leases

Negotiation of Purchase Price and Acquisition of Equipment

Leases are contracts and are subject to the Contract Policy. The negotiation of prices, terms & conditions for equipment to be leased is usually jointly determined by the party requesting the lease, Vice President for Finance and

Treasurer (or a designee), Director of Business Services, and the Purchasing Manager. If any lease terms change from the original lease document, the Vice President for Finance and Treasurer (or designee) will, review and either re-approve or disapprove the lease.

Lease - Purchase Order Procedures

The Vice President for Finance and Treasurer, Director of Business Services and the Purchasing Manager review all lease requests. Departments must attach all related lease and project approval documents to their requests. For equipment leases that also have a related supplies agreement such as copiers, a separate Purchase Order must also be submitted to cover the annual charges for supplies such as toner and copy charges.

Lease - Notification of Termination / Return of Equipment / Purchase Options

Buyers are responsible for reviewing and managing their lease agreements. This responsible includes tracking when the lease is set to expire and determine if the lease should be reviewed. Buyers must consult with the Division Manager, Organization Manager and Purchasing Manager prior to the expiration of the lease. The Purchasing Manager, with the assistance of the Director of Business Services, will make a decision regarding the disposition of the lease whether to allow the lease to terminate or to renew the lease on the same or modified terms. If the vendor does not receive the required advanced notice of intent by the designated notice date, the lease may automatically roll over for another full term or default to month-to-month payments. The department is still contractually liable for all such lease payments regardless of the total amount paid.

Departments are also responsible for all monthly charges for consumable supplies. The Purchasing Office assists the University departments in reviewing all options for the return or purchase of all leased equipment and the processing of all necessary documentation.

The University buyer, University department, Business Services Office, and Purchasing Office must take one of these possible actions:

1. Return the leased equipment to the lessor or their designated assignee.
2. Purchase the equipment for the Fair Market Value (FMV) of the equipment or, if the lease is a lease/purchase agreement, for the pre-negotiated buy-out price.
3. Elect to extend the lease on a month-to- month basis until they are ready to return or purchase the equipment. Refer to the “Useful Life” (section 6.3) prior to making this decision.

7. Contracting Process

Departments wishing to enter into a contract for products, services or equipment should first review the University [Contract Policy](#). After reviewing the policy, contact the Director of Business Services or the Purchasing Office for assistance.

The University provides sample contracts. Contact the Purchasing Office for assistance with contracts. See also section 2.2 “Contract Thresholds.” University Legal Counsel must review all contracts in accordance with the terms of the Contract Policy. Buyers or purchasing departments should include adequate time for review and, potentially, negotiation of modified terms for purchasing contracts.

8. Capital Equipment Purchases

8.1. Capital Equipment

Capital equipment is goods purchased by the University that have a useful life of one year or greater and have a value greater than \$500. The adopted fiscal year budget establishes limits for capital purchases through the budget lines that relate to capital equipment.

Capital equipment purchases that are not budgeted are subject to the [Capital Projects Policy](#).

8.2. Negotiation of Purchase Price and Acquisition of Equipment

The requisitioning department representative (i.e. “buyer”), the Assistant Vice President for Facilities Management or a designee, Director of Business Services and the Purchasing Manager, usually negotiate the price, terms and conditions for equipment. As with other purchasing transactions, a purchase order is required for all capital purchases over \$500.

8.3. Capital Equipment Specifications Guidelines

Due to the high cost and complexity involved with capital purchases, buyers must submit a Capital Equipment Request Form to the Purchasing Manager for approval before soliciting competitive bids. (New form to write).

The buyer must submit the following required information on the Capital Equipment Request Form. (New form to write)

1. Detailed description of the equipment and its intended function

2. Equipment description such as size, capability, power requirements and a brief description of how the equipment operates
3. Equipment components and accessories
4. Required supplies
5. Energy efficiency guidelines
6. Computer system and operating software requirements, licenses and service maintenance agreements
7. General information on standards, warranty coverage, patent clauses, schematic drawings, operating and maintenance manuals, spare parts lists and availability, installation, and timeliness of delivery
8. Conditions for equipment acceptance and rejection

8.4. Conditions of Acceptance

Sections 5.3 “Testing” and 5.4 “Acceptance” of this document list the conditions of acceptance for capital equipment. Whenever possible, payment for capital equipment should be made after inspection and acceptance. If a seller will not ship without full payment, buyer should attempt to negotiate partial payment prior to shipment with final payment upon inspection and acceptance. The buyer must carefully uncrate and inspect the equipment upon delivery for any visible defects in manufacture or damage during shipment. Buyer must also test the equipment immediately after delivery and prior to final invoice payment. The University should receive manuals, drawings and replacement parts list on or before the acceptance date and before final payment. The purchase and shipping agreement should clearly define what constitutes performance and final acceptance and should include a reasonable time for buyer to test the equipment before acceptance becomes final.

8.5. Record of Equipment

Buyers should attach a University Equipment Tag on all new equipment. Obtain the tag from FM. The Accounting Department adds any new equipment that cost \$5,000 or greater to the Fixed Asset Accounting System. Contact FM with all new equipment purchases.

8.6. Equipment Evaluation and Test Agreements

Vendors may also provide equipment to the University at no charge for a limited period to allow for the evaluation of the equipment’s performance prior to making a purchasing decision.

8.7. Used Equipment Purchases

Occasionally it might be necessary or advantageous to purchase used equipment. The authorized buyer and FM will complete a thorough inspection of the equipment before purchasing. During the review process, the buyer should ensure that the following terms are included in any final sales agreement:

1. Acquisition of a full legal title
2. Indemnification of the University by the seller against all claims, liens, and rights, which with respect to injury of any kind to any person or property not caused by negligence of the University
3. Disconnection of all equipment at seller's expense
4. Assurance that risk of damage or loss shall not pass to the buyer (the University) until the goods are physically removed by or delivered to the buyer (the University)
5. A 90-day warranty
6. Warranty that the seller has full authority to sell the equipment and that such sale does not violate any existing law, regulation, or agreement
7. Warranty that the equipment is in good working order, has had periodic inspections and a copy of all inspections, repairs or modifications that have been made to the equipment
8. A bill of sale.

8.8. Equipment Rentals

Although not technically a “purchase,” equipment rentals require a Purchase Order. The request must include the total cost of the rental and the duration of the rental period. The renter will attach a copy of the rental agreement to the Purchase Order. The Director of Business Services and the Purchasing Manager will review the rental agreement and submit to Legal Counsel for approval. The University provides an Equipment Rental Agreement template. The template is located on the Purchasing website.

9. Competitive Sourcing Process

9.1. Proposals and Quotations

It is the policy of the University to obtain competitive proposals or quotations where possible on all products and services used by the University. Buyers will review all proposals and quotations received based on quality, service, compliance to specifications and price. The University can reject any or all proposals. The University encourages participation in the competitive sourcing

process by as many qualified vendors as possible. The buyer will seek at least three proposals given the following limitations: time constraints, availability of capable and qualified vendors who can meet the specifications, and the opportunity for significant cost savings.

9.2. Competitive Sourcing Methods

The University uses the following methods of Competitive Sourcing based on the project:

9.2.1. Standard Purchase (less than \$500)

The buyer should obtain minimum of two informal quotes. No written documentation of informal quotes is required.

9.2.2. Informal Bids (\$500-\$4,999)

The buyer should request three informal bids by email or by letter.

9.2.3. Formal Requests for Proposals (\$5,000+)

The buyer should obtain three formal quotes or engage in a formal Request for proposal (RFP) process. The standard RFP template is available on the Purchasing website. Buyers should involve the Purchasing Office in RFPs early in the process to assist in negotiating pricing, contract terms and conditions. Early involvement helps insure compliance with University policies and expedites purchase requisition processing.

RFP Formats and Guidelines

The University will issue RFPs electronically by email and by postal mail. The University will receive proposals in response to RFPs electronically, in hard copy form, or a combination of both. The standard RFP template contains instructions to the vendors regarding proper proposal formatting and submittal requirements. The Purchasing Office has developed a process for conducting RFP sourcing projects. The University will evaluate the proposals and award the contract(s) to the vendor(s) presenting the best combination of price, delivery, specifications, performance, and quality of service. The University reserves the right to disqualify any or all bids and to award contracts based on factors other than price.

Revisions to RFP

If it is necessary to revise an RFP, the buyer, Director of Business Services, or Purchasing Manager can make the revisions. The Purchasing Manager notifies all vendors involved in the project with the changes.

RFP Materials

The University will not compensate a vendor for the costs associated with submitting an RFP. Once submitted, the RFP and all collateral materials will be the property of the University.

9.3. Confidentiality of Proposals

Price quotations, proposals, and RFPs are confidential information. Confidential materials will remain confidential and will not be shared with vendors, organizations, or unauthorized persons. The University is not obligated to disclose information. Disclosure of confidential materials is professionally unethical and can damage the University's relationships with its vendors. If you have questions about any request to provide information concerning contracts, pricing, vendor proposals or other internal information, contact the Office of the General Counsel, Director of Business Services or the Purchasing Manager for guidance. Once proposals have been received they are to be secured to prevent disclosure to unauthorized parties prior to the bid due date. All proposals should have the receipt date and time recorded either manually or by retaining email records for bid packages submitted via email.

9.4. Non-Collusion

It is the responsibility of all University employees and vendors to affirm that no agreements or collusion among proposers or prospective proposers shall occur. The University will communicate this requirement to all vendors. Vendors must commit to providing an independent, sincere and authentic bid that meets the University's requirements, without collusion, consultation, communication or agreement with any other bidder or competitor.

9.5. Exceptions to Competitive Sourcing

There are circumstances when competitive sourcing is not required or practical. Examples are:

- Emergencies endangering the health and safety of students, employees or third parties (see section 6.2).

- Program design and construction of a capital project (FM)
- Acquisition, Leases and Subleases of real property
- University bookstore purchases for resale
- Professional legal services
- Professional Psychiatric services for students
- Purchases that meet “Sole Source and Non-Competitive Purchasing” requirements (see Section 9.6)

The Vice President for Finance and Treasurer or his delegate may waive the competitive sourcing requirement. The buyer must complete the Request for Wavier of Competitive Bidding Form and submit to the Purchasing Office. The form is located on the Purchasing website. (Request for Wavier of Competitive Bidding Form)

9.6. Sole Source and Non-Competitive Purchasing

Circumstances may prevent the competitive sourcing process and allow for purchasing from one unique vendor. Such situations require documentation explaining the exceptional circumstances of the purchase. The documentation should state the action taken to secure an additional quote or state the reason why a vendor’s product does not meet the qualifications. The Director of Business Services, in consultation with expert advisors as needed, has the final responsibility for determining whether a Sole Source requisition meets the requirements of this policy.

Instances when sole source purchasing may be applicable include the following:

1. Only one specific vendor is available for the required product or service (i.e., real estate, utilities services, one-of-a-kind items, etc.)
2. Competitive sourcing is limited due to raw materials by vendors or similar circumstances that limit competition in the area.
3. Original Equipment Manufacturer (OEM) parts are required to maintain the warranty.
4. Purchasing of support services in connection with the assembly, installation, servicing of equipment or software of a highly technical or specialized nature.
5. Purchasing involving construction where a contractor is already at work on the site, and it would not be practical to engage another contractor for new work at the same site.

6. The project/work has a firm schedule requirement which only one vendor has the capability of meeting. Failure to meet the schedule requirement would seriously affect the project/work.
7. Purchasing a product or service where only a single vendor in a relevant market is licensed or authorized to service or sell a specific product line and related services.

The buyer must complete the Request for Waiver of Competitive Bidding Form and submit to the Purchasing Office. The form is located on the Purchasing website. (Request for Waiver of Competitive Bidding Form)

9.7. Green Purchasing Program

The University has an [Environmental Stewardship and Sustainability Master Plan](#). The University will purchase goods and services from vendors who share our environmental commitment when economically feasible. Refer to the University Office of Environmental Stewardship and Sustainability for more information.

9.8. General Vendor Policies and Procedures

Purchasing will issue a general policies and procedures manual for all University vendors that informs prospective vendors how to conduct business with the University. This manual is available on the Purchasing Office website. All companies seeking to conduct business with the University can review the University website and policies manual for specific details. (Forthcoming)

9.9. New Vendors

New vendors will be required to submit a W9 and Federal Tax ID Number. The Purchasing Office will review the forms. The Purchasing Office or Accounts Payable Office will add the vendor to the Banner Accounting System.

10. Surplus Property and Recycling

10.1. Reuse Program

All property and equipment (known as fixed assets) purchased with University funds (including unrestricted University funds, grants, sponsored research, endowments or gifts), donated to the University, or acquired for University use through other means are the property of the University, and title remains with the University at all times until asset disposal.

Surplus property is defined as property for which there is no further planned use by the department currently responsible for that asset or which is intended for replacement. It includes all tangible assets such as equipment, materials, supplies and furniture.

The University will reuse, repurpose, or dispose of University assets or property following the Surplus Property Policy.

10.2. Waste and Recycling Programs

The Office of Environmental Stewardship and Sustainability operates many recycling programs across the University for Common Recyclable Materials such as paper, aluminum cans, plastic and glass bottles. Please view the [website](#) for full details.

Personal Computers

Computers and peripherals are a category of surplus equipment that require special procedures. Due to the environmental impact of components in electronic equipment and to the potential for the computer memory to contain sensitive or confidential data, Library and Information Technology Services will recycle computers and peripherals as part of the process of maintaining computers and peripherals in offices and classrooms. Direct any questions to the [Help Desk](#).

Procedure for the Sale of The University-owned Vehicles

The Purchasing Office will be responsible for selling all used vehicles. All vehicles sales require a Surplus Bill of Sale Form to be completed. Review the Surplus Property Policy at:

<http://www.sewanee.edu/media/provost/Surplus-Property-Policy.pdf>

11. Payment and Financial Information

11.1. Chart of Accounts (COA)

The Vice President for Finance and Treasurer is responsible for establishing and managing all aspects of our Chart of Accounts. Contact the Accounts Payable Office regarding information about the COA.

11.2. Payment Terms

The University Standard Payment Terms for Purchase Orders and checks are Net 30 Days from the date of the vendor's invoice. It is University policy to accept cash discounts for accelerated payment terms when offered by vendors. The Vice President for Finance and Treasurer at the University sets the payment terms

policy. Departments do not have authority to change or otherwise accept different payment terms from vendors. The Vice President for Finance and Treasurer approves any Non-standard payment terms prior to entering into any vendor contracts.

11.3. Invoice Approval

Vendors can submit their invoices either by specifically approved electronic formats or by mail to the below address:

Accounts Payable
University of the South
735 University Avenue
Sewanee, TN 37383-1000

11.4. Year End Closing Procedures

The University operates on a July 1 - June 30 fiscal year for accounting purposes. In order to ensure that departments properly close University current fiscal year purchases, the Purchasing Office and Accounts Payable, in conjunction with the Vice President for Finance and Treasurer, will provide a schedule of dates for submission of requisitions and invoices and for completion of purchasing activities prior to the start of the new budget year. This schedule may change slightly from year to year. The University pays invoices during the year the purchase occurs. The fiscal budget year is July 1 – June 30. There is no carryover of institutional operating budget funds.

12. Specialized Purchases

12.1. University Services

University departments are encouraged to use services offered by the University.

Services available through the University:

- Print Services: All business cards, stationary, envelopes, custom printing, copier services
- Dining Services: McClurg Dining Hall, Tiger Bay Pub, Stirling's Coffee Shop, Cup and Gown and Green's View Grill
- Sewanee Catering: provides catering services
- University Book and Supply Store: Barnes and Noble provides gifts, books, miscellaneous products and supplies
- Sewanee Inn: Lodging, restaurant, and meeting rooms

- Sewanee Golf Course: Nine-hole golf course
- Franklin County-Sewanee Airport: Airplane storage and flight instruction
- Conference Services
- Marketing and Communications
- Housekeeping Services
- Moving Services
- Maintenance and Repair Services
- Fleet Services
- Alcohol and Bartending Service
- Facility Rentals

12.2. Technology and Software

LITS coordinates the purchase of Software and Technology equipment. Buyers that need to purchase computers, software and technology equipment must contact the [LITS Department](#).

12.3. Material Purchases for Capital Construction Projects

For capital expense construction projects, managed by general contractors, the University will purchase construction materials directly from the subcontractors and material vendors to avoid paying state sales tax. Departments must consult with FM to manage these transactions.

12.4. Contracts for Consultants and Independent Contractors

The University may hire individuals as consultants/independent contractors where the need and status as an independent contractor is established. The Internal Revenue Service (IRS) tax code and common law determines the designation of independent contractor status. Significant tax penalties exist for incorrect classification of an employee as an independent contractor. In addition, contracting with consultants and independent contractors may expose the University to significant risk. Therefore, it is imperative that common standards be applied in classification and contracting, and that each case is fully documented and auditable. In addition, the contracts used to engage consultants and independent contractors are important legal documents that serve to clarify responsibility and expectations, which are important protections to both parties to the contract. The University has standard forms and agreements for this purpose. These forms are located on the University website. Contact the Purchasing Office if you need assistance creating a form or agreement. Review the [Conflict of Interest Policy](#) and the [Contract Policy](#) for additional information. Contact the General Council with questions regarding the Contract Policy.

12.5. Performing Artist / Guest Speaker Contracts

The Purchasing Office has standard contracts for the hiring of performing artists or guest speakers. An individual or department planning to hire performing artists or speakers for a University engagement, should contact the Purchasing Office to request the appropriate contract template. See section 7.1.

12.6. Animal Purchases

The Institutional Animal Care and Use Committee has the responsibility for managing and approving all requisitions for research animal purchases.

13. Vehicle Acquisition & Licensing Process

13.1. Managed Vehicle Fleet Program

The University has a motor pool to help manage the use of University owned vehicles. This program applies to all passenger cars, pickups, vans and low speed vehicles. Contact the motor pool by email motorpool@sewanee.edu to reserve a vehicle. Review the [Vehicle Use Policy](#) prior to contacting the motor pool.

13.2. Vehicle Purchases

FM, the Vice President for Finance and Treasurer, the Director of Business Services and the Purchasing Manager work together to purchase vehicles for the University.

13.3. Vehicle License Renewals

All vehicles (including leased and owned) are required to have their license tags renewed annually. FM is responsible for processing all new vehicle licenses and license renewals. The Accounting Office retains all vehicle titles and all sales documentation for existing University owned vehicles.

13.4. Disposal of Vehicles

Disposal of all University owned vehicles must be coordinated through FM and the Purchasing Office to insure proper completion of title documents. FM and the Purchasing Office facilitate the sale of used vehicles. Departments disposing of a vehicle should notify FM and the Purchasing Office. A Bill of Sale is required for all sales. FM or the Purchasing Office will submit the Bill of Sale and the

proceeds from the sale of the vehicle to the Cashier's Office. Once the Accounting Office receives the Bill of Sale, it will remove the item from the Capital Equipment List.

14. Cooperative Purchasing Agreements

14.1. Cooperative Purchasing Agreements

The University of the South is a member of several Purchasing Cooperatives that allow a larger group of organizations to pool their collective buying power to achieve lower contract prices. Discounts offered on these agreements are often greater than the University can obtain on its own. Contracts offered on these agreements often cover the most commonly purchased supplies and services such as office supplies, computer supplies, software and equipment, FM Supplies, furniture, etc. Contact the Purchasing Office with questions regarding purchasing agreements and access to contract pricing.

Educational & Institutional Cooperative Service (E & I)

Associated Colleges of the South

Tennessee Independent Colleges and Universities Association

Horizon Resource Group

U.S. Communities

Omnia

Sourcewell

15. Faculty Grants

15.1. Faculty Grants

The University receives grants for Faculty to conduct academic research. The Faculty principal investigator on the grant will follow the University Purchasing Policies and Procedures when purchasing equipment, services or testing materials utilizing grant funds. The Purchasing Office can assist with screening vendors and securing quotes. It is the responsibility of the Sponsored Research Office and the faculty to be aware of and in compliance with the specific contract or grant requirements.

16. Student Organizations

16.1. Student Organizations

The individual student organizations and activities will adhere to the Student Organization Handbook and the University Purchasing Policies and Procedures. Individuals and organizations will exercise sound judgment in expending the

funds as approved within the framework of the policy. Student Organizations can contact Student Life or the Purchasing Office for assistance. Student Organizations can refer to the [Student Organization Handbook](#) for more details.

17. Reimbursement

17.1. Purchasing Reimbursement (Non P-Card)

Individuals that purchase goods or services for the University utilize the Banner Purchase Order System (PO) or the P-Card to complete business transactions. These transactions are the appropriate means to purchase the goods and services. Unless approved in advance by the supervisor and fund manager, the University will deny reimbursement to individuals that utilize personal credit cards, debit cards or cash to purchase goods and services.

17.2. Reimbursement for Tips

The University allows reasonable tips for bellhops, cab service, etc. Refer to the University Travel policy for guidelines. (Refer to [University Travel Policy forthcoming](#))

17.3. Reimbursement for excess expenses

The Vice President for Finance and Treasurer or designee will disallow expenses that are not business related or inappropriate. Refer to the University Travel Policy for guidelines. (Refer to [University Travel Policy forthcoming](#))