NORTHERN OKLAHOMA COLLEGE
GUIDE TO PURCHASING

PURCHASING LEVELS AND APPROVALS

Dollar Level of Purchases	Approval Requirements
Does not exceed $200	Small Order requisition does not require prior approval by the Assistant Vice President of Business Financial Affairs (not valid for professional or personal service, postage, or travel reimbursements)
$200.01 - $9,999.99	Requisition form prepared and forwarded to the Assistant Vice President of Business Financial Affairs for approval before ordering. Approval date must be before or concurrent with the order date.
$10,000.00 - $24,999.99	Requisition form plus quotation sheet (minimum of three quotes) unless State contract or consortium contract pricing.
$25,000.00 and above	Competitive bid by Purchasing unless at or below State or consortium contract pricing. Purchase also must be reported to the Northern Oklahoma College Board of Regents at their monthly meeting.
Over $100,000	Requires prior approval by the Northern Oklahoma College Board of Regents.

Professional or personal service contracts are required for speakers, honorarium and other personal service items.

Oklahoma is governed by public use law that disallows the use of public monies for personal items and other items not directly related to the mission of the College.

Please contact the Administrative Assistant to Financial Affairs at extension 6232, or the Purchasing Specialist at extension 6233 if you have any questions or need additional information.

NORTHERN OKLAHOMA COLLEGE
POLICY STATEMENT

PURCHASING PROCEDURE

SECTION I
PURPOSE

The purpose of this document is to establish a procedure to be followed in purchasing and procuring materials, services, and equipment by/for Northern Oklahoma College.

SECTION II
GENERAL

The purchasing procedures of the College follow the guidelines of the Northern Oklahoma College Board of Regents, the Oklahoma State Regents for Higher Education, the Office of Management and Enterprise Services, and Oklahoma Statutes. The intent of these procedures is to insure that all purchases are made in the most effective and efficient manner possible. Maximum use will be made of the State Central Purchasing Office, local bids, and negotiation with possible vendors by College agents. College procedures will necessitate early anticipation of needs in order not to delay acquisitions. Certain administrative procedures must be accomplished prior to making a purchase. These procedures must be followed by all personnel. No funds will be obligated prior to official approval. Department heads/supervisors (hereafter called budget administrators) can obtain a copy of their submitted purchase orders upon request.

No major purchases from departmental budgets will be made after June 10 unless considered to be of an emergency nature. The Assistant Vice President of Business Financial Affairs may choose an earlier date for purchase cutoff depending on budget circumstances.

SECTION III
USE OF STATE CENTRAL PURCHASING
(STATE CONTRACTS)

The Office of State Central Purchasing has obtained bids on many items required for operation of the College. For such items, it will not be necessary to take additional bids locally, except when more competitive pricing can be obtained by other industry sources. The Office of State Central Purchasing will be used in the acquisition of purchases of $7,500 or more if the pricing on state contracts remains competitive and meets quality assurances. State contracts can be found at https://www.ok.gov/dcs/solicit/app/contractSearch.php.

SECTION IV
OBTAINING BIDS OR QUOTES

It is the policy of Northern Oklahoma College to obtain quotes for single purchases between $7,500 and $24,999.99. For these items, the budget administrator must obtain quotes from at least three vendors. A quote tabulation sheet should then accompany the purchase requisition when it is sent to Purchasing. The Assistant Vice President of Business Financial Affairs may override quote limits. A purchase $25,000 or above must be bid unless purchased at or below the current pricing of: a state or federal contract; a state or federal governmental entity contract; an existing contract awarded by a state college or university, or an educational purchasing consortium contract. Professional services and sole source items are not required to be bid. Exceptions to the bid policy are:

1. Emergency purchases in excess of the limitations may be authorized by the College President upon the authorization of the Chair of the Board and shall be ratified by the Board at the next Board meeting.

2. Library books and materials, utilities, 700 series fund or agency special account operations, college memberships, professional services not exceeding $100,000, State Risk Management premiums, livestock, and other items specifically identified and authorized by the Board.

Requisitions will not be split in order to decrease the amount of the purchase to an amount small enough to fit into one of the previously stated categories. This practice is prohibited by state law and is a felony when done to evade the bidding process. All purchases $25,000 and above must be reported to the Board of Regents.

It is the responsibility of the user department to include a complete list of specifications in requisitions requiring bids. An invitation to bid form must be completed by the budget administrator and sent to Purchasing along with the names and addresses of at least three vendors to whom the invitations should be sent. Specifications shall include color, size, electrical voltage and any other item peculiar to the supply or equipment desired. The user must be able to describe the item in such a way to insure receiving an item of the quality desired. Once the seals bids have been received and opened in Purchasing, the budget administrator will be notified so that he/she can complete a purchase requisition.

SECTION V
RESTRICTED PURCHASES

The following list itemizes purchases which may not be made with College funds or which have certain restrictions:

1. **Printing:** All College accounts may utilize the services offered by Printing Services. Printing needs that are taken off campus for processing must receive prior approval of the Vice President for Development and Community Relations.

2. **Computer hardware and software:** These purchases must be coordinated through Information Technology.

3. **Food:** Education and general accounts may not purchase food items except to support lab or classroom functions or when documented grant stipulations indicate food purchases are appropriate.

4. **Awards and gifts:** These items cannot be purchased from education and general accounts.

5. **Prepayments:** Prepayments for goods and services cannot be made.

6. **Bookstore Personal Purchases:** All College accounts may utilize the services offered by the bookstore unless the purchases are solely for personal use outside of work-related activities.

SECTION VI
PROCUREMENT THROUGH STATE SURPLUS PROPERTY

The Oklahoma State Surplus Property Office is a source of supplies and equipment released by the military services. The use of this office is encouraged in obtaining available items needed by departments of Northern. Those items can be purchased at a substantial savings.

SECTION VII
CLAIMS AGAINST VENDORS

If any item received from a vendor is questionable as to quality or quantity, the budget administrator should inform Purchasing immediately so that appropriate action can be taken.

SECTION VIII
REQUISITION SUBMISSION

Each department at Northern Oklahoma College has a budget that allocates an amount that may be expended. Any expenditure of College funds or Federal Program funds being administered by the College of $25,000 and above must be reported to the Board of Regents. The value of a purchase equals the cost of an individual item or the cost of a bulk purchase of similar items from a given vendor. The following procedure is to be followed in requesting to expend College funds.

1. All personnel who have a need for an item must present a request to the budget administrator for that department.

2. If approved by the budget administrator a requisition is to be prepared giving all required information, including costs. If the exact costs are not known, an estimated total cost should be entered on the requisition. This is especially important in the case of repairs to equipment. An estimated or “not to exceed” cost should be entered. All requisitions **MUST** be signed by the budget administrator and vice president as is appropriate. This is most important due to departmental budget limitations.

3. A completed requisition with appropriate approvals from department heads and supervisors should be delivered to Purchasing. A copy of the requisition will be returned to the budget administrator after action has been taken. A copy of the requisition may be returned upon request.

4. Incoming requisitions will be reviewed for completeness. If a new vendor is being utilized, the budget administrator must obtain a completed W-9 from the vendor for submission with the requisition.

5. In cases where funds are not available, budget administrators will be notified. If the records are correct, no purchase will be authorized unless additional funds are allocated. Purchase orders will not be validated by Purchasing until funds are available or until otherwise approved.

6. Purchasing personnel will determine the proper method to make the purchase and complete the order. Northern Oklahoma College employees are not authorized to make expenditure commitments prior to proper authorization. Invoices will not be paid without proper authorization.

7. Telephone calls or letters to vendors, made by or authorized by budget administrators should specify that no shipment is to be made until a purchase order is issued.

8. When a purchase order is furnished to the vendor, the materials, service, or equipment may be procured. NO PURCHASE IS AUTHORIZED WITHOUT A PURCHASE ORDER PROPERLY VALIDATED BY PURCHASING. Emergency telephone order approval may be granted by the Assistant Vice President of Business Financial Affairs if deemed appropriate. Emergency approval will only be granted in cases of sudden, unexpected, and dangerous circumstances that pose an immediate risk to life, health, or College property. The Assistant Vice President of Business Financial Affairs will determine whether written orders must be processed in order to comply with proper funding requirements.

9. If a purchase order is canceled because the goods are not available or for any other valid reason, Purchasing should be notified immediately so that the encumbered funds can be released back to the department’s budget.

SECTION IX
PURCHASES FOR FEDERAL PROGRAMS

Administrators of federally supported programs sponsored by Northern Oklahoma College shall abide by the same regulations as College departments. Program directors are directly responsible for proper expenditures for funds as authorized in the approved budget and permitted in the program regulations and guidelines. Purchasing procedures for federal programs will be the same as those of the College and/or any other compliance directives pertaining to the specific programs.

SECTION X
PURCHASE FOR AGENCY PROGRAMS – FUND 700

Purchase of materials, equipment, and contract services for programs budgeted in Agency Special Accounts - Fund 700 will be made in accordance with the policies of the College and the guidelines of the Office of State Finance.

SECTION XI
INVOICES

After the materials, equipment, or services have been received, the vendor should forward an invoice to Purchasing/Accounts Payable. When invoices have been received, the following action will be taken:

1. The invoice will be checked to ascertain that the date of the invoice is not prior to the date of the purchase order. Purchases made prior to issuance of the purchase order are prohibited.

2. The invoice will be compared with the purchase order to see that items billed were actually requested.

3. For invoices that are mailed directly to Purchasing/Accounts Payable, budget administrators will be given a written notice to come to Purchasing/Accounts Payable for approval of invoices received. If the budget administrator is housed at a remote location, the original invoice will be forwarded to the approver for signature. The budget administrator or the purchaser will certify receipt acknowledging the goods or services by signing and dating the original invoice.

4. If a budget administrator or purchaser directly receives an original receipt upon attaining goods or services, this invoice should be submitted to Purchasing/ Accounts Payable within 24 hours. If the budget administrator or purchaser is located at one of the remote locations, they shall have 48 hours to submit the original receipt.

5. If original invoices are not attainable, a faxed or reproduced copy may be utilized to document receipt in order to authorize payment. The budget administrator's signature will verify that the item(s) is/are satisfactory and that payment may be made. In the

absence of the appropriate administrator, the Assistant Vice President of Business Financial Affairs may approve an invoice for payment.

6. Failure to submit signed and dated invoices to Purchasing/Accounts Payable within the time frames indicated above will result in the suspension of purchasing privileges. Excess or extreme disregard for purchasing policies may result in termination of future purchasing privileges.

7. Invoices containing charges to more than one department may be approved for payment by the Assistant Vice President of Business Financial Affairs and the appropriate College personnel will be notified of the charges made against their budgets.

8. Invoices will be furnished to the paying agent for issuance of an appropriate check or for preparation of a claim after the invoice has been approved for payment.

SMALL ORDER SYSTEM

SECTION I
PURPOSE

The small order system is designed to allow individual departments the authority to purchase items costing less than $200 without prior approval of the Assistant Vice President of Business Financial Affairs.

SECTION II
GUIDELINES FOR USE

Small orders may be used to purchase items that do not exceed $200. Allowances will be made for minor overages due to freight, and shipping and handling charges. Expenditures may not be for **personal services, travel, professional services, or for any items prohibited under the general purchasing procedures.**

1. Personal services are defined to include all elements of compensation (salary, retirement, insurance, etc.) paid to an employee of the institution and all payments for personal services paid to nonemployees of the institution.

2. Travel reimbursements are defined to include all items of travel costs that would ordinarily be paid on a travel claim form. This includes registrations.

3. Professional services are defined to include those services within the scope of the practice of architecture, engineering, law, accounting, medicine, or other such services licensed by the State.

4. Postage is defined to include metered postage and postage stamps except for postage due.

SECTION III
SMALL ORDER PROCEDURES

Small order items will not be encumbered against departmental budgets. Items will show on budget detail only as invoices are paid.

Splitting an order into two parts in order to process an item as a small order is not allowable.