



THE UNIVERSITY OF NORTH CAROLINA  
**ASHEVILLE**

Policies and Procedures

Policy #: 22  
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Owner Dept.: Finance  
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Subject: **UNIVERSITY PURCHASING**

This policy, as mandated by the General Statutes of the State of North Carolina, The North Carolina Administrative Code, and the North Carolina Division of Purchase and Contract Purchasing Manual, is to serve as a guide in procuring goods and services.

The Purchasing Department is the only campus office authorized to obligate the University to pay for goods and services through the issuance of purchase orders, with the exception of the Bookstore's purchases of merchandise for resale, the Library's purchases of books, and Design and Construction projects.

**Responsibility:** University employees must take seriously the University's obligation, as a state agency, for achieving economical and effective procurement of goods and services consistent with applicable State statutes and related rules, regulations, and procedures. Failure to abide by these rules, regulations and procedures can result in disciplinary action, and in some cases, personal liability of the employees, and possibly of their supervisors, for the cost of the unauthorized contract. See, for example, N.C. General Statute §143-58 (on making "executive officer" of department, etc. personally liable for costs of unauthorized contracts.)

**Requisitions:** Purchases originate departmentally with a purchase requisition. Paper requisitions should be submitted to the Purchasing Department with the approval signatures of the requestor and the fund manager. Training classes for online requisitioning using Banner will be regularly offered by the Finance Department.

**Departmental Approvals:** The fund manager must approve all requisitions, either paper or online. This approval indicates the item requested is a necessary departmental expense, and budgeted funds are sufficient to cover the cost of the purchase.

A fund manager may delegate authority to approve requisitions and invoices for payments. An Authorization To Sign Form must be completed and submitted to the Finance Department. Forms can be accessed through the Financial Affairs Office website. Authority delegation does not relieve the fund manager of responsibility for managing the fund allotted budget.

**Purchasing Department Review:** Purchasing Department personnel will review requisitions for compliance with state purchasing regulations and procedures and will verify requisitions for accuracy.

**Purchase Orders:** The Purchasing Department mails, emails, or faxes purchase orders with required terms and conditions to the vendor. Whenever possible, Purchasing submits purchase orders to vendors online. A copy of the purchase order is forwarded to Accounts Payable. Departmental copies of purchase orders (for internal use only) are emailed to the requestor, fund manager, and any other individuals as requested. Copies of purchase orders do not list the terms and conditions and should not be distributed to vendors. The Purchasing Department retains files of procurement documents as outlined in the University of North Carolina's General Records Retention and Disposition Schedule.

## Types of Purchases:

1. **State Contract Purchases** – If there is a state contract for the particular good or service purchase, the University must use state contracts negotiated by the Purchase and Contract Division of the North Carolina Department of Administration. A complete listing of state contracts can be found at the NC Purchase and Contract Division's website: <http://www.ncpandc.gov/> under Term Contracts. For items under state contract, the University is required to use state contract vendors. For instances where competitive pricing indicates that the state contract price is not the lowest, contact the Purchasing Department for guidance.

Departments purchasing items from state contracts should submit a requisition so that a purchase order can be issued to the vendor. A purchase requisition is required regardless of the dollar amount of the purchase. Some contracts require minimum orders. Departments may purchase from non-state contract vendors for orders totaling less than the required minimums stated in the contract.

Historically, some state contracts have specific purchasing guidelines. Some of the contracts used frequently by UNC Asheville are listed below. When purchasing from this list, please refer to the specific state contract for purchasing guidelines and contact the Purchasing Department for guidance:

- a. Carpet Purchases (See State Term Contract, Carpet, Tufted, Nylon – This contract includes carpet, installation, cove molding, removal and disposal of carpet and other additives that may be needed for carpet.) Facilities Management will coordinate all requests for purchase of carpeting.
  - b. Venetian blinds (See State Term Contract, Blinds, Venetian)
  - c. Chairs (See State Term Contract, Furniture, Ergonomic)
  - d. Upholstered seating (See State Term Contract, Furniture, Lounge, Seating, and Tables)
2. **NC Department of Correction (Correction Enterprises)** – North Carolina General Statute 148-70 grants the NC Department of Correction a preference when agencies are purchasing articles, products, and commodities manufactured or produced within the State prison system and offered for sale. Preference means that Correction Enterprises be given first consideration when selecting a vendor. In practice, the requesting department will evaluate the Correction Enterprise product in the areas of price, quantity, quality, and product availability in comparison to other state term contracts or other vendors. Products available privately, including those on term contracts, should be purchased only when a product from Correction Enterprises will not satisfy the requirements as outlined above.
3. **Purchases Not On A State Contract:**
    - a. Purchases not on a state contract under **\$1,000** do not require a requisition or purchase order. The Department may contact the vendor directly to order and subsequently receive the item. Departments should then complete a Check Request Form, obtain approval signatures, attach the original invoice, and submit the form and invoice to Accounts Payable. Check Request Form can be accessed through the Financial Affairs Office website.

- b. Purchases not on a state contract from **\$1,001 to \$3,000** require a requisition and issuance of a purchase order. The department should ascertain the best quality, price and source for these items. Departments should complete a requisition, obtain approval signatures, and submit the requisition to the Purchasing Department. The Purchasing Department will then issue a purchase order to the vendor and will distribute copies of purchase orders to the appropriate faculty and staff.
- c. Purchases not on a state contract from **\$3,001 to \$5,000** require at least three quotes to ensure the lowest price possible has been obtained. Departments should identify potential vendors, and contact the vendors to request they submit written, faxed, telephone or current catalog quotes. A listing of each vendor's name and the amount quoted should appear on the purchase requisition.

For Service Contracts in this purchasing threshold, see Section 4.d. below.

- d. Purchases not on a state contract from **\$5,001 to \$50,000** require formal written bids. The Purchasing Department utilizes the Interactive Purchasing System (IPS) at Purchase & Contract Division to post bids in an effort to obtain broader competition and lowest pricing. The requesting department should contact the Purchasing Department to discuss the specifications for the goods or services, and information necessary to prepare a formal bid. The Purchasing Department finalizes and distributes the formal bid and is responsible for receiving all vendor responses. The Purchasing Department publicly opens all vendor responses at the time specified in the bid request document. An evaluation committee, chaired by the requesting Department, evaluates the vendor responses based on the criteria specified in the bid request document. The evaluation committee then documents the criteria evaluation and recommends a vendor for the award to the Purchasing Department. After the Purchasing Department reviews the committee's recommendation, an award is made to the successful bidder. The requesting department completes and submits a purchase requisition to the Purchasing Department. The Purchasing Department issues a purchase order to the successful bidder.

**The bid preparation process, depending on the complexity of the purchase, requires collaboration and lead time to prepare, post, process, and award.**

- e. Purchases not on a state contract and greater than **\$50,000** require the solicitation of formal bids by the NC Purchase and Contract Division as mandated by The General Statutes of the State of North Carolina. The requesting department should contact the Purchasing Department to discuss the information necessary to prepare the formal bid, including specifications, drawings, vendors, and other pertinent information. The Purchasing Department develops the bid and forwards to NC Purchase and Contract Division. The NC Purchase and Contract Division issues the bid, receives bid responses from vendors, and then forwards the responses to the University for review. A university evaluation committee, chaired by the requesting Department, evaluates the vendor responses based on the criteria specified in the bid request document. The evaluation committee then documents the criteria evaluation and recommends a vendor for the award to the Purchasing Department. After the Purchasing Department reviews the committee's recommendation, the Purchasing Department will forward the recommendation to NC Purchase and Contract along with all bid documents. The NC Purchase and Contract Division reviews and certifies the purchase. After receiving state approval, the Purchasing Department issues a purchase order after receipt of departmental purchasing requisition.

*The bid preparation process, depending on the complexity of the purchase, requires collaboration and lead time to prepare, post, process, and award. It is not permissible to divide requirements to keep the total under \$50,000 and avoid the formal, advertised bidding procedure.*

**4. Blanket Purchase Orders, Equipment Installation, Emergency and Pressing Needs, Service Contracts, and Printing:**

- a. ***Blanket Purchases*** – When the department can determine the need to purchase small items on an ongoing and frequent basis, the department should submit a purchase requisition to the Purchasing Department with the following information:
- i. Category of items required
  - ii. Names of persons authorized to make purchases
  - iii. Term or time frame within which purchases will be made
  - iv. Monetary limits which will be applied to each order

The department is responsible for keeping a record of deliveries, expenditures and terms of the blanket purchase order.

- b. ***Equipment Requiring Installation*** – When submitting requisitions for equipment which must be expertly installed, i.e. boilers, food service equipment, mechanical and other equipment which might require expertise from Facilities Management or other personnel, the requisitioning department should include installation information on the requisition. The Purchasing Department will request Facilities Management to review any orders requiring utility connections or other adaptations.
- c. ***Emergency and Pressing Need Purchases*** – Purchase requisitions for emergencies will be processed immediately. During normal Purchasing Department’s business hours, it is the responsibility of the department to notify the Purchasing Department as soon as the emergency is realized. If other than normal business hours, departments may proceed with the purchase of required emergency and pressing need items, and subsequently notify the Purchasing Department the next business day. The department making the emergency or pressing need purchase should submit documentation clearly describing the emergency or pressing need to the Purchasing Department. (See definitions below.)

Pursuant to State regulations, emergency orders for supplies, equipment or services which have been delayed by lack of planning, inaction, or negligence are not to be considered as emergencies.

The following definitions outline emergencies and pressing needs as listed in the NC Purchasing Manual:

**EMERGENCY**: A situation which endangers lives, property, or the continuation of a vital program and which can be rectified only by immediate on-the-spot purchase (or rental) of equipment, supplies, materials, printing, or contractual services.

**PRESSING NEED**: A need arising from unforeseen causes including, but not limited to, delay by contractors, delay in

transportation, breakdown in machinery, or unanticipated volume of work, and which can be rectified only by immediate on-the-spot purchase (or rental) of equipment, supplies, materials, printing, or contractual services.

- d. **Service Contracts** – If a department seeks to obtain a service or maintenance contract exceeding \$3,000, the department must prepare a task description of the services and the desired results. Task descriptions should contain the following:
- i. The date(s) of service. The contract should not exceed ten (10) years, including extensions and renewals, without the prior approval of the NC Purchase and Contract Division.
  - ii. Detailed specifications and/or scope of work required.
  - iii. What UNC Asheville will furnish.
  - iv. What the contractor will furnish.
  - v. The method, schedule, and procedures for billing and payments.
  - vi. Other terms and conditions, specifications, or procedures pertinent to the service contract

Upon completion of the task description, the requesting department should seek competition by obtaining telephone, fax, or written quotations, for expenditures between \$3,001 and \$5,000 as outlined in Section 2.c. If over \$5,001, the Purchasing Department must solicit competition as outlined in Section 2.d. above.

- e. **Printing** – Printing is subject to the same purchasing thresholds as described in Section 2.a. through e. The University promotes the use of printed materials on recycled stocks that are printed as simply and economically as possible.

Recycled paper and cost per copy—The following information is quoted from the Agency Purchasing Manual of the NC Purchase and Contract Division:

Whenever a public document that is published by an agency of this State is printed on recycled paper, the document shall contain a printed statement or symbol indicating that the document was printed on recycled paper.

Every agency of this State publishing a public document, other than one published for the principal purpose of sale to the public, shall cause the following statement to be printed adjacent to the identification of the agency responsible for the publication:

“(Number of copies) copies of this public document were printed at a cost of \$\_\_\_\_\_, or \$\_\_\_\_\_ per copy.”

The term "cost" shall include printing costs in the form of labor and materials, and other identifiable design, typesetting, and binding costs.

## 5. Bookstore Purchases

UNC Asheville departments may make purchases from the Bookstore as follows:

- i. Textbook purchases—applies to all department fund numbers

- ii. Purchases by UNC Asheville Foundation or from agency funds (Fund numbers beginning with the digit '8' or '9'.)
- iii. Imprinted items for departmental use.
- iv. Small quantities of office supplies in emergency situations. For example, when orders from state office supply vendors are delayed.
  - v. Normal restrictions for state funds and non-state funds apply.
- vi. Purchases made from the Bookstore are subject to thresholds and processes as outlined in Section 2 above. Total dollar restrictions apply.
- vii. Contact the Bookstore Manager for ordering.

## **6. Miscellaneous**

- a. Periodical subscriptions are processed by Accounts Payable. Dues, registration fees, memberships, subscriptions, catering, and similar items do not require a purchase order but may be processed through Accounts Payable on a check request form. These types of purchases are made on a check request regardless of the dollar amount.
- b. Travel expenses are processed on a travel reimbursement form. See the UNC Asheville Policy and Procedures Manual, Policy Number 3.

Approved on: 3/18/09

Next Review on: 3/18/2011