Policy Type: Administrative
Applies to: Faculty, Staff, Students

POLICY DATES

Issued:
Revised: August 2023
Edited: August 2023
Reviewed: August 2023

This policy does not include any type of travel (i.e., hotels, conferences, flight, vehicle, and reservations), please see the **Travel Policy and Procedures Guide regarding any expenses related to travel.**

If you have a purchasing card, Purchase Orders are not needed unless the dollar amount exceeds $2,500, or your authorized limit on the card. Please see the Purchasing Card Program Guide on the Policies card of Ellucian Experience for further details.

Policy Details

PROCEDURE

Issued:
Revised: August 2023
Edited: August 2023
Reviewed: August 2023

PURCHASING PROCEDURES
The goal of the purchasing procedures at the University of Mount Union is to obtain the best value for the products and services provided to the institution from its suppliers. For assistance with the procedures or policies please contact the Purchasing Delegate assigned to your area. Purchasing Delegates are assigned for the following areas: Dean's office in each College, Nature Center, Marketing, Athletics, Information Technology, Library, Physical Plant and Business Office for all others.

The primary method of communicating the need for goods and services with any vendor is a Purchase Order.
- A **purchase order** is an approval to order goods and services. It is an acknowledgement that the University has entered into a **legally binding contract** with an outside entity. No single individual is authorized to approve or commit to any contract or obligate the University on their behalf without the prior approval of an assigned Purchasing Delegate.

Purchase orders should be used for the following:

1. Purchase of any supply item or equipment, even those products covered under any previously negotiated contract pricing agreement. Examples include promotional items, uniforms, or classroom or lab supplies.

2. Establishment of a contract for services that are performed on a regularly scheduled basis that involves both performance and invoicing at scheduled intervals (weekly, monthly, quarterly, etc.).

3. One-time performance of a service or contracted labor (maintenance time and materials, speakers, consultants, etc.).

4. Any purchase over $2,500.

Applies to: Faculty, Staff, Students

In order to obtain a Purchase order, an individual making the purchase on behalf of the University, should go to self-service under the procurement module and create a requisition.

Approval Flow for Academic Areas:
- **$0 to $ 2500** *originator* and *department chair*
- **$2,501 to $5,000** *Dean of the College*
- **$5,001 to $10,000 VPAA**
- **$10,001 to $250,000, CFO**
- **$250,001 and above, must be approved by the** *Board of Trustees*.

All Other Areas:
- **$0 to $2,500,** *originator* and *budget officer* **of the account to be charged.**
- **$2,501 to $5,000, the** *Assoc./Asst. Dean, Assoc Vice President, Athletic Director or Executive Director* **must approve.**
  (If one of these positions does not appear in your group, area Vice President must approve.)
- **$2,501 to $10,000, the** *area Vice President*, **Controller, CIO, Director of Physical Plant or Library must approve.**
- **$10,001 to $250,000, the** *CFO* **must approve.**
- **$250,001 and above, must be approved by the** *Board of Trustees*.

Obtaining proper signatures on a requisition to purchase goods and services is a *requirement* established by our auditing procedures and is meant to standardize the purchasing process across campus. These limits include contractual obligations in which a recurring payment for services in a 12-month period exceeds a dollar limit. For example, if the purchase of a service requires 12 monthly payments of $1,000 each then the purchase will be considered to be a $12,000 transaction. Please refer to the Contract Review Policy for additional information.

Also, we will enforce the requirement that a Purchase Order be obtained **PRIOR** to the placement of any order, with any vendor, for any items or services. Invoices that are received from any vendor without an authorized Purchase Order could be returned to the vendor without payment. We will be notifying vendors of this requirement within our policy as well. For those employees who are issued a purchasing card, the purchasing card is **a method of payment not an authorization to order**. Any purchases over the amounts listed in the approval flow need proper authorization before an order can be place.

SPECIALIZED EQUIPMENT – SERVICE AREAS
The request to purchase specific items or services that are related to, or are the responsibility of an existing University Department requires the approval of that Department. These items/services include but are not limited to: Information Technology (Hardware and Software), Multi-Media, Audio-Visual, Telecommunications, Maintenance, Housekeeping, Public Relations, Fleet (Vehicles) and Mail Services. The University also maintains campus-wide contracts for these areas of service and proper approval from the Business Office is required to use other such vendors. These include but are not limited to: Furniture, Copiers, Table and Chair Rentals. Please contact the Business Office for details if you are unsure or unaware if a current contract is in place.

TECHNOLOGY PURCHASES
The Office of Information Technology (IT) is charged with supporting University owned computer hardware, software and peripherals in ways that meet the University's strategic priorities and support its mission. IT is responsible for maintaining the Mount Union network, servers, workstations, and peripherals, while providing for quality at reasonable costs. This section establishes standards, guidelines, and procedures for the purchase of University technologies regardless of the funding source.

Applies to: Faculty, Staff, Students

All technology related purchases must go through the Office of Information Technology, regardless of the funding source. This policy applies to all technology items and related services owned, used, or operated by the University, regardless of the source of funding, location or intended purpose. These resources include but are not limited to computers (desktops, laptops, mobile devices, VDI clients, all in ones, etc.), servers, software and information systems, applications, mobile apps, web/content management systems, technology services, consulting and maintenance contracts, peripheral equipment (e.g., printers, scanners, etc.), network devices, television, audio visual, surveillance, video and projection equipment, and door locking and environmental monitoring equipment.

IT will purchase technologies that support the operations and mission of the University, are sustainable, compatible with existing systems, and can be efficiently maintained. As a result, IT has numerous agreements with hardware, software, network, and telecommunication vendors, service agencies, multimedia companies, software developers and others. Centralized purchasing of technology hardware and software assists in ensuring:
- Compatibility with campus network environment.
- Compliance with campus technology security policy.
- Suitability based on assessment.
- Licensing compliance for software purchase.
- Hardware and software that can be efficiently supported.
- Availability of sufficient resources (including initial and recurring costs).
- Security of institutional data.
- ADA compliancy.

Standardization allows the University to efficiently select and manage technology, obtain better technology pricing, reduce maintenance costs, and increase access to training and assistance. These standards are re-evaluated periodically based on common needs, vendor offerings, cost, reliability, supportability, quality, sustainability, compliance with recycling policies, and timeliness of vendor response. Purchase of any technology components must be justified and approved by the IT Department. The University will not reimburse or support the purchase of any technology related item unless that purchase was made through and/or with Office of Information Technology.

IT is dedicated to sustainability and ensuring the technology utilized by the University is energy efficient and made through environmentally responsible methods. IT strives to purchase computers, monitors and laptops that are EnergyStar certified and/or rated EPEAT silver or higher whenever possible.

All purchases of hardware and software requested by University departments must be first considered by the appropriate Vice President or College Dean. Once a proof of concept has been reviewed, the department representative must then involve IT in the consideration of the purchase to meet the guidelines listed above. A statement of justification document should be prepared and sent to IT that discusses the business purpose for the software, the financial commitment (in dollars and contracted time), the benefit (payback, reduction in staffing, operational efficiencies, etc.), and the timeline for review. Once that document has been provided to IT, staffing from the area will work closely with the University department to consider the purchase.

Hardware
Computer hardware standards are reviewed on an annual basis by the Office of Information Technology. To take advantage of discount and volume pricing contracts and ensure that technology acquisitions meet University standards, purchases of hardware equipment are coordinated through IT. Standard office computers for faculty and staff are upgraded on a regular recycle plan established by IT and may depend on budget availability as approved by the University as well as availability of equipment. Desktop and laptop replacements are important to maintaining smooth operations of University functions; therefore, technology should be kept relatively current to remain compatible with required capabilities, security constructs and innovation. As a general guideline, IT uses the following for planning replacements of computer technology:
- Faculty/Staff desktops/laptops will be eligible to be refreshed every four years depending on budget dollars and appropriate approvals.

Applies to: Faculty, Staff, Students

- Departmental computer labs are funded by departmental dollars and will be eligible to be refreshed every four to five years depending on budget dollars and appropriate approvals.
- Classroom AV equipment is eligible to be refreshed every five years depending on budgets and appropriate approvals.

Any equipment that breaks prior to upgrade guidelines will be submitted for warranty, if available. If warranty is not available, then appropriate budget dollars (e.g., IT, capital, departmental) will be used for repair or replacement.

In some situations where services are being considered for purchase with new hardware, or if new systems are being considered for deployment, IT must review and approve vendor selections, consultant engagements and development plans to ensure that vendor or consultant competencies and system interface requirements are appropriate to protect the University's information and assets. All networking equipment (wireless access points, routers, switches, etc.) in support of the campus network is purchased solely by IT. Any technology purchase that includes networking components must be authorized and approved by IT before purchase and deployment. All other non-personal computer hardware that requires access to or from any portion of the University's network including but not limited to shared storage, servers, A/V equipment and other network-attached technologies must be approved by IT.

Software

Information systems software is software that fulfills a specific business purpose, may or may not depend on integration with other systems, and is typically used by more than one person. All information systems must be evaluated and approved by the area Vice President, the VP of Business Affairs, the CIO, and the Director of IT for Security. Examples of information systems are the Student Information System (Colleague), Learning Management System (D2L/Brightspace), etc. When an application software package is considered for purchase, it must be evaluated in terms of its fit with the campus environment, including but not limited to operating hardware requirements, database management system, operating system requirements, web environment requirements, integration with other information systems, institutional data storage and security, and the software provider's support requirements associated with the package. All contracts and purchasing agreements for software must be reviewed and approved by the CFO. All software applications, whether institutional, departmental, lab or desktop software must be purchased through IT, evaluated for compatibility with university network and hardware resources, virtual desktop compatibility, ADA compliancy and support. Academic software must also be approved by the Center for Faculty Development.

Technology Purchasing Procedures

To meet the requirements above, all University technology requests are processed through the Office of Information Technology, regardless of the account to be used or the dollar amount. To facilitate a quick turnaround and to give the best possible service, please complete and submit the following information on the [Software Request Form](#).

- Quantities.
- Complete item description(s).
- General ledger account to be charged.
- Date needed.
- If purchase is an Information system or software, written approval of area Vice President is required.
- For all NEW software, the Software Purchase form should be completed.
- Vendor information.

Requests should be submitted with sufficient time to obtain price quotations, gather appropriate approvals, and place orders without causing undue delay. Please provide as much lead-time as possible with a minimum of 30 days for new purchases. To duplicate a previous purchase, the prior order should be referenced. **May 30th of each fiscal year is the deadline to place a technology order. This deadline helps to allow sufficient time to receive items and process invoices for payment. Any technology items purchased after May 30th will come out of the next fiscal year budget and may not be implemented by the fall semester.**

Requests for large numbers of computers, configurations with additional components, and for non-standard equipment may require several weeks' notice. In addition, most requests for new software may take several weeks for processing. It is recommended to allow a month for contract/agreement review and several weeks for technology verification of product

---

Applies to: Faculty, Staff, Students

or system. Equipment orders from vendors typically range from 2-12 weeks from order to delivery, depending on the unit or components ordered.

REIMBURSEMENT

If products or services are purchased directly by an individual, reimbursement may be obtained with proper approval as described above. This reimbursement can be obtained by completing the payment request form on Self-service, procurement module by selecting the "reimburse self" checkbox. Internal comments should be completed on the request form with an explanation as to why proper procedures could not be used to obtain the needed goods and/or services. Receipts from the purchase should be attached to the form with the save and attach button. Reimbursements on purchases older than **_60 days_** will not be considered.

FINAL APPROVAL

Approval of a purchase order request will be acknowledged by the issuance of a purchase order number by a purchasing delegate after review of the following: vendor selection, product/service specifications, account number, and signature authority.

RECEIPT

Once goods/services are **received** by the appropriate party, the recipient will verify the contents to the purchase order. Authorization for payment of the invoice will be performed by the purchasing delegate after a three-way match (packing list – purchase order – invoice) is performed. Once verified, invoices should be signed, dated, and coded to the proper account and forwarded to Accounts Payable.

PRE-PAYMENT

Pre-payment is strongly discouraged to any vendor. Mount Union maintains a strong credit rating and promptly pays all invoices in a timely manner. Pre-payment (either check or credit card) results in the transfer of responsibility from the Vendor to Mount Union. If there is an issue with either the goods received or services performed, Mount Union has reduced leverage in resolving any potential problem with a Vendor. Request for check pre-payments are handled directly with the Accounts Payable department, but still require authorized requisitions prior to approval.

SMALL PURCHASES

Employees may make small (up to $250) purchases from their own funds for supplies, equipment, and services used for valid University business and then submit the original receipts to the Business Office for reimbursement. Employees are reminded that the University is exempt from paying sales tax; therefore, individuals making cash purchases for approved University business purposes should present a copy of the University's sales tax exemption certificate to merchants and request that sales tax not be charged. Sales tax exemption certificates are available through the Business Office. The University reserves the right to deduct the amount of sales tax paid when reimbursing individuals for such purchases.

LOCAL BUSINESSES

Mount Union maintains accounts with several local organizations, and purchases can be made without payment of sales tax, which is not reimbursable. Please contact the Business Office to secure the necessary items needed (purchase order, store credit card, etc.) in advance of the purchase. A complete listing of local vendors can be obtained by contacting the Business Office.

TRADEMARK - LICENSING

Mount Union has entered into an agreement licensing all trademarked logos and word marks. Our trademark licensing program was formed to assist in the protection of all Mount Union trademarks, ensuring that the correct marks are used prior to creation. In addition, this program is in place to help extend the market presence of Mount Union locally, regionally and nationally. Please contact the Office of Marketing for additional information.

Applies to: Faculty, Staff, Students

REQUEST FOR PROPOSALS – RFP
A Request for Proposal (RFP) is a document that details products and/or services (aka specifications) which may be more complex in nature or identifies contractual relationships that would exist over an extended period of time. RFPs are used to solicit proposals from prospective vendors on how they intend to carry out the request for specifications. RFPs contain both general and specific Terms and Conditions of purchase. Proposals in response to an RFP can be subject to negotiations after they have been submitted. These negotiated responses become part of the legal contract. The Business Office must be involved in all formal RFPs issued by the University.

PURCHASING PRACTICES
Competitive Bidding
The most effective way to create competition is to solicit competitive quotes/bids. This method ensures the selected supplier is providing goods and services in the most cost-effective manner. If a quote is chosen that is not the lowest cost option, justification of other services provided should be included.

We recommend three submitted proposals for purchases over $5,000   Written quotations are required for purchases greater than $25,000.   Written quotations are required to be on the vendor's official paperwork, addressed to Mount Union complete with information on quantity, specifications, pricing, and delivery. Quotations should be attached to purchase order requisition on self-service when placing the order.

The University has preferred vendors already established that should be given priority when making purchases. If you would like to use a new vendor for a purchase, you must also get a quote from the established preferred vendor before the new vendor will be set up in the University purchasing system.

VENDOR QUALIFICATION
Prior to selection as a potential supplier for goods and services to Mount Union, potential vendors are required to be considered as holding a "qualified" status with the University. This may be accomplished in a variety of ways such as checking references, site visits, or trade publications. The financial stability of public entities may be investigated with publications or services such as Dun & Bradstreet. For privately held companies, audited financial statements, bank or trade references may be requested.

To comply with Federal regulations set forth in the Gramm-Leach-Bliley Act (GLBA), all vendors for IT purchases relating to computer software and systems, cloud software, and data back-up will be asked to provide SOC2 reports and a copy of their most recent audited financial statements. The Director of Information Technology for Security and the Business Office will review these documents to determine vendor eligibility. Vendors that do not provide satisfactory copies of these documents may not be approved for use. SOC2 and financial health for key vendors will be reviewed on an annual basis by the Purchasing Office and Director of IT for Security. The list of key vendors will be kept within the Business Office.

VENDOR SELECTION
The Business Office reserves the right to establish competitive and non-competitive negotiated agreements, and long-term partnerships with vendors when it is in the best interest of the University.   Business awarded to suppliers is not based on price alone.   The Business Office, in conjunction with the user department(s), carefully weighs other equally important factors (e.g. service, availability, performance, reliability, maintainability, quality, etc.).   Vendor selection may be based on the maximum value obtained for each dollar disbursed.   The elements of maximum value include more than price, quality and delivery.   Technical assistance and innovation, assured supply and cost reduction assistance, are other factors impacting vendor selection.   Vendors are encouraged to bring to attention those unique functions and features that are inherent in their products and services being offered to the University. The final selection of the vendor is the responsibility of the Business Office.

Applies to: Faculty, Staff, Students

CONFLICT OF INTEREST

A conflict of interest is defined as situations in which personnel or students use their positions for purposes of obtaining private gain for themselves or others, such as those with whom they have family, business, or other ties. Any actual or perceived conflict of interest either by the person initiating the request for goods or services, or by an individual approving the request *must be disclosed* to the Purchasing delegate and to the CFO prior to a commitment to purchase goods or services. Please contact the Business Office regarding a detailed ethics policy if you are unsure regarding a potential conflict of interest.

EMERGENCY PURCHASING

An emergency is defined as a circumstance when the immediate demand for supplies, materials, or services is such as to seriously hamper the operation of the institution, and in spite of all remedial action possible, would result in damage more costly than the purchase involved, if purchased through normal procedures. In the event an emergency purchase is made, the supervisory employee shall make a full report of the circumstances to the Purchasing Delegate.

CREDIT CARDS

University issued Purchasing Cards are available to all full-time employees with supervisor approval. The Purchasing Card program is established and maintained by Mount Union as a method of payment to simplify approved ordering processes. Purchasing cards are especially useful for small dollar (less than $2,500) purchases and while traveling. Please refer to the Purchasing Card Program Guide for full details.

TAX STATUS

Mount Union is a private, tax-exempt, nonprofit, educational institution exempt from Federal income taxation under section 501(c)(3) of the Internal Revenue Code. This status allows the University to seek exemption from sales tax in states where items purchased for use in the host state. In most states, sales tax collection is not pursued for items purchased in one state then used in another (i.e., items shipped out of state). Tax exemption does not apply to retail Federal and State fuel tax, local hotel occupancy and food taxes, most transportation surcharges, user fees and meal taxes. Tax certificates of exemption are kept on file with Accounts payable and are available to any vendor requiring one to be kept on file. Mount Union maintains exemption status for purchases originating in the following states: Ohio, Kentucky, Florida, New York and New Mexico.

LEASES

All forms of lease, lease purchase or rental agreements for the procurement of material or services must be authorized on behalf of the University by the Business Office after receiving approval from the Board of Trustees. Please see the Business Office before entering into a lease or rental agreement. Regardless of the time period involved in these agreements, a formal purchase order will be issued. The user department should indicate whether it is a new or renewal agreement. When possible, a copy of the proposed lease agreement should accompany the requisition. Prior to accepting a lease agreement as submitted by the requisitioning department the Purchasing Delegate may solicit competitive lease rates. Consideration may be given to as to whether the goods should be leased or purchased. An analysis will consider the availability of funds.

SALES AND SERVICE AGREEMENTS

Only the Purchasing delegate is authorized to sign a sales agreement. Terms and conditions governing a purchase are Included as part of this policy. Certain items of equipment are covered by service contracts in order to assure continuing efficient operation. Forms required by service companies are to be signed on behalf of the University by the Purchasing delegate and forwarded to the company with a purchase order.

PERSONAL ORDERS

Due to the tax-exempt status of the University, no personal business should use the purchase order process and the Purchasing Delegate is prohibited from issuing purchase orders for personal purchases. Suggestions of possible sources of supply may be offered. Vendors are under no obligation to offer discounts to individuals and do so with the understanding that their offer places the University under no obligation to do business with them.

Applies to: Faculty, Staff, Students

MAINTENANCE - REPAIR ORDERS

All request for building, structural and specified equipment repairs, are to be directed through the Physical Plant office. The Physical Plant will then determine if outside vendors are required and coordinate the required service as needed. Physical Plant work order requests can be submitted via the forms card on Ellucian Experience.

OFFICE SUPPLIES

All routine office supply orders should be purchased through Office Depot or Amazon. All members of the support staff should have access to the online system for Office Depot which has our contracted pricing. Orders placed through Amazon on a regular basis should be made through the University account to provide the tax exemption as well as prime shipping when possible. Unless office supplies are needed immediately, staff should utilize the on-line ordering systems and plan for the expected delivery dates instead of travelling to local stores to obtain supplies. Control mechanisms for this product line will be coordinated by both the Business Office and the vendor. Please contact the Purchasing Delegate for current names of available staff in your area.

CAPITAL EQUIPMENT

All requisitions for capital equipment (any purchase over $5,000) should be directed to the Purchasing Delegate.

DIVERSITY SUPPLIERS

It is the policy of the University of Mount Union, through its Supplier Diversity Program, to increase the business opportunities for Minority, Women and Physically Challenged Business Enterprises (M/W/DBE's). The University's commitment is to maximize M/W/DBE participation through the development of mutually beneficial business relationships with such firms. This policy can be found on Ellucian Experience l under Institutional Policies.

GROUP PURCHASING ORGANIZATIONS

Mount Union has membership in a number of Group Purchasing Organizations (GPO's). Please contact the Purchasing Department for contract information. A current list includes E&I, IUC, OFIC, and through our membership in the Ohio Association of Colleges, many State of Ohio contracts and pricing our extended to the University. Competitive bidding is not required when using any of these contracts.

GREEN-SUSTAINABILITY PURCHASING

Responding to the growing need for environmental stewardship and the University's commitment for the implementation of sustainable practices, Mount Union has adopted a Green-Sustainability Purchasing Policy. This Policy can be found on the Ellucian Experience Portal under Institutional Policies.

TERMS AND CONDITIONS FOR PURCHASE ORDERS

Available under purchasing forms card of Ellucian experience portal

END.

Applies to: Faculty, Staff, Students

Responsibilities

Position or Office	Responsibilities
Business Office	Purchasing

Contacts

Subject	Office	Telephone	E-mail/URL
Purchasing	Business Office	330.823.6572	**businessoffice@mountunion.edu**

History

All changes must be listed sequentially, including edits and reviews. Note when the policy name or number changes.
Issued:

Revised: August 2023

Edited: August 2023

Reviewed: August 2023