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I. PURPOSE OF OUTLINE

The purpose of this outline is to explain the procedures and policies to be followed in the procurement of departmental supplies, equipment, furnishings and services.

II. FUNCTIONS OF THE PURCHASING DEPARTMENT

The Muhlenberg College Purchasing Department is dedicated to ensuring the timely and cost effective procurement of goods and services for the Muhlenberg College community. Purchasing professionals must have a highly developed sense of professional ethics to protect their individual reputation and that of the institution. The purchasing department, as a member of the National Association of Educational Procurement, adheres to the Code of Ethics established by this association. (Appendix #1)

The Purchasing Department endeavors to maximize the college's procurement power by:

1. Handling the mechanical operations of procurement; obtaining quotations, ordering, expediting, and making adjustments.
2. Acting as a center of information on sources of supply for the many items used by the College, recommending suppliers and product lines that will meet the Muhlenberg standards for quality, price and performance.
3. Reviewing current supplier performance that includes pricing, performance, and any other value –added services.
4. Assisting with budget projections for departments as well as capital projects.
5. Identifying and evaluating new products and services.
6. Identifying areas where the procurement process can be improved.
7. Participating with other entities in joint purchasing opportunities.

In order to fulfill these functions, the Purchasing Department must enlist cooperation and promises in return its best efforts to help with procurement needs. To make the work of the office effective, it is necessary that department's:

1. Anticipate requirements sufficiently in advance to permit the Purchasing Department to do an efficient job of buying. The axiom "haste makes waste" is particularly true in purchasing.
2. Make your requisitions specific and clear in every detail, but permit the Purchasing Department sufficient latitude of choice that it may contribute either to improvement of quality or to economy.
3. Avoid commitments to suppliers without the consent of the Director of Purchasing.
4. Keep strictly confidential all information and quotations submitted by competing suppliers.

5. Check all deliveries as promptly as possible so that adjustments can be made. Notify Purchasing of any problems. When damaged shipments are received, visible or concealed, the department must note on all copies of the delivery receipt any damages observed; then contact the Purchasing Office for instructions.
6. Return of materials -Damaged or incorrect items must not be returned to a supplier without prior approval. Please notify the Director of Purchasing for assistance in these matters.
7. Suggestions for improving procurement services are welcome. Suggestions should be directed to the Director of Purchasing. The Director will be glad to discuss your procurement problems so that she/he may be prepared to service all interests to the best advantage.

III. PURCHASING POLICIES

Centralized Purchasing

Purchases of goods and contracted services in excess of \$250.00, and lease of equipment are to be made only through the Director of Purchasing and authorized by a formal Purchase Order issued by the College Purchasing Office unless purchasing authority has been delegated in writing.

Authority to Requisition

Heads of Academic Departments, Faculty with restricted grants, Lab Managers, and Directors of Administrative units assigned budgets are the only persons authorized to requisition supplies, contracted services and equipment, against their budgets. No department may charge goods or services to another college department without prior approval of that department.

Delegation of Purchasing Authority

The Chief Business Officer and Treasurer may delegate to Departments the authority to purchase merchandise on behalf of the College. Persons with the authority to purchase supplies and equipment may delegate this authority to others in their department with approval of the Chief Business Officer and Treasurer or Assistant Treasurer.

The Librarian is authorized to procure books (except those for the Bookstore), periodicals and library supplies in accordance with the policies and procedures approved by the Chief Business Officer and Treasurer.

The Bookstore is authorized to purchase books, novelties and other merchandise for resale in accordance with the policies and procedures approved by the Chief Business Officer and Treasurer.

Competitive Bidding

The College will use a competitive bidding procedure whenever it is practical for all types of purchases. The Director of Purchasing, at her/his discretion, will determine when to request formal bids for a purchase. Orders in excess of \$25,000 must be competitively bid. Orders totaling over \$10,000 but less than \$25,000 will require a minimum of two (2) documented quotations (three are encouraged). The quotations may be either written or verbal. All Purchases over \$50,000.00 must be bid and evidence of bid must be available to the Treasurer's office on an annual basis for auditors review.

The requesting of bids and /or quotations is a recognized and accepted means of ensuring effective competition among suppliers, and the college will generally receive greater discounts and better service through this process. It is the responsibility of the Purchasing Department to originate, control and analyze Supplier bids, quotations/proposals. The requisitioning department is responsible for defining quantity, specifications, delivery date and all other pertinent information essential to proper purchase. The requisitioning department should also suggest sources when known, especially for unusual or unique items. The requisitioning department may be called upon to assist the Purchasing Department in evaluating the bids received relative to a purchase for the department. When the requisitioning department secures quotations, the Supplier's original written bids must accompany the requisition so that full information concerning the purchase order is available for audit purposes within the Purchasing Department.

Departments should allow from one (1) to three (3) weeks for the competitive bid process to occur, depending upon the requirement(s)

Competitive bidding is not required when one or more of the following conditions exist:

- Bids have been recently (within the previous 3 months) received for the same items and the bids are still valid.
- Item to be purchased has already been bid either through the Educational and Institutional Cooperative, the LVAIC Purchasing Consortium, Pennsylvania State contracts, or one of the other Purchasing cooperatives.
- The item must be purchased from a sole-source distributor or manufacturer.
- The item has been identified as a college standard.

Emergency - Verbal Orders

Verbal Orders should only be placed in emergency situations, when time does not permit the processing of a written purchase order prior to placing the order. If a verbal order is placed, it must be followed up immediately by entering a purchase requisition into the Web Purchasing system. The order must be clearly marked as CONFIRMING order to avoid duplication of the order when it is sent to the vendor. When an order is called in, prices should be obtained and noted on the Purchase Requisition. The status of the emergency must be noted on the Purchase Requisition in the section marked "Internal notes".

Internet Orders

Many Suppliers provide the option for you to select and/or place your orders via the Internet. It is the policy of Muhlenberg that no orders are to be placed via the Internet by any department other than Purchasing without prior authorization from the Director of Purchasing. Exceptions to this policy are contracts established by the Purchasing Department whereby online ordering has been authorized. Examples are the current office supply and scientific supply contracts.

All requests for Internet orders are to be submitted on a standard Purchase Requisition, indicating the web address as well as a mailing address and fax number and telephone number. Purchase Requisitions may be downloaded and printed from the Purchasing webpage. The Purchasing Director will determine the final decision as to whether an Internet Supplier and ordering process will be used.

Petty Cash Purchases

Employees, with supervisory approval, may make direct cash purchases from local suppliers for emergency or convenience purchases, up to \$50.00. A completed Petty Cash Voucher, along with the supplier receipt, must support each purchase. This is submitted to the Controller's Office for reimbursement, not the Purchasing Office.

Maintenance Contracts

Each department should evaluate expiration dates on equipment Maintenance Contracts. If it is deemed prudent to renew Maintenance Contracts, departments should submit a Purchase Requisition via the Web Purchasing system prior to the renewal date. Departments should not wait for an invoice before submitting a requisition. If you are not sure of the renewal cost, insert the current price and the Purchasing Office will obtain the cost. Maintenance contracts are not always advisable. The Director of Purchasing will assist in determining the feasibility of Maintenance contract renewals upon request.

Cash Terms and Discounts

Cash discounts will be taken whenever available. The Director of Purchasing will attempt to obtain discounts even when the Supplier does not normally provide them. The standard payment terms for the college are Net 30.

Sales Tax

Muhlenberg College is exempt from sales tax on qualified purchases in the states of Pennsylvania, New Jersey and New York. We are not exempt from hotel occupancy taxes. Tax exempt forms are available in the Purchasing office and will be provided to suppliers upon request.

Specific questions relating to sales tax should be directed to the Controller's office.

Vendor Selection

The Purchasing Department will assist with selection of vendors. The Director of Purchasing will provide information on various contracts, preferred suppliers, LVAIC Consortium pricing, cooperative contracts, and other solutions for cost savings.

Furniture Purchases

The Director of Purchasing will assist with the planning and selection of all college furniture in offices, classrooms and common areas. Purchases of furniture should not be made without prior review of the Director of Purchasing.

Technology Purchases

All purchases of computers, printers, copiers, software and computer related accessories must receive approval of the Information Technology Department prior to any orders being placed. Selection of vendors for technology purchases may be handled by the Information Technology Department.

Mobile phones, smart phone requests are submitted to the Treasurer's Office. Plan selection and phone selection is made by the Purchasing department depending upon the specific need of the user.

Alcohol Purchases

All alcohol (beer, wine, liquor) is purchased by the Purchasing Office and an inventory is maintained in Dining Services. If alcohol is requested to be served at a college function Forms 5 A / 5B **APPLICATION TO SERVE ALCOHOL – Internal or External Event** must be submitted at least 14 days prior to the event. This form is available from the Seegers Union Office. If approval is given for the event, the department contacts Dining Services with their specific alcohol needs

the department is charged back for alcohol usage after the event by the Purchasing Department.

Personal Purchases

Supplier Discounts that are available for personal purchases are posted on the Purchasing webpage. This pricing is considered confidential and is only to be used by the staff of the college. Sales tax must be paid for these purchases.

Contracts

All contractual agreements for goods and/or services over \$1,000.00 must be reviewed by the Finance/ Treasurer's office prior to issuance of purchase order. Only the Director of Purchasing, or the Treasurer's office may sign contracts.

IV. PURCHASING PROCEDURES

There are two methods for purchasing a product and/or service. A purchase may be made on a Purchase Order or on a college issued Procurement Card. Purchases on the procurement card must be within the approved guidelines as listed in the Procurement Card Policy document.

Prior to making a purchase, a Purchase Requisition followed by a Purchase Order must be completed. A Purchase Requisition is a request to purchase a product and/or service. A Purchase Order is the normal instrument by which goods are procured to fill a requirement. It is to be used for the procurement of supplies, equipment, furniture and services. Exceptions include Petty Cash, office supplies which are purchased against our office supply contract and contracted items/services that have been approved for purchase using the Procurement card. The Purchase Order gives the vendor the authority to ship and invoice for goods specifically on the order. It is a legal instrument, which expresses the buyer's part of a contract of sale. Once accepted, it has the legal force of a binding contract.

Electronic Process:

Web Purchasing is the online purchasing system. The department identifies a need for an item and/or service. The person requesting an item and/or service gives the information to the person designated in the department to enter the information into Web Purchasing. The individual enters the information into Web Purchasing creating a purchase requisition. The requisition is then submitted electronically to the appropriate person for approval and then routed to the Purchasing Office for final approval. If your request is approved by the Purchasing Office, your requisition will be converted into a purchase order. The purchase order will then be faxed / mailed or submitted electronically to the vendor for the order to be fulfilled.

When the order is received in full or partially received, or the service has been completed or partially completed, the person who requested the product notifies the designated person who was trained on Web Purchasing of the status of the order. That designated person receives the appropriate item(s) in Web Purchasing and a receipt is electronically routed to Financial Edge, our financial system. At that point, if Accounts Payable has an invoice to match with the receipt, the invoice is scheduled for payment.

Manual Process:

If a department does not have a person trained on web purchasing then the person requesting an item and/or service fills out a Purchase Requisition form and has it signed by the person with budget responsibility for the department. Purchase Requisition forms can be obtained from the Purchasing Office or downloaded and printed from the Purchasing web site. Instructions on how to fill out a Purchase Requisition can be found on the Purchasing web site under Purchase Requisition Form.

If using the pre-printed Purchase Requisition form, the completed white copy of the requisition is forwarded to the Purchasing Office. The department retains the pink copy. If the requisition form is printed from the web site, the department should make a file copy before submitting the completed requisition to the Purchasing Office. Purchasing enters the data from the requisition into Web Purchasing. A purchase order is generated and faxed or mailed to the vendor for the order to be fulfilled.

For orders under \$250.00, a Limited Purchase Order or a college issued Procurement Card may be used. Instructions for Limited Purchase Orders can be found on the Purchasing web site.

SHIPPING CHARGES -DELIVERY ARRANGEMENTS

When requesting suppliers for quotations, be sure to specify that shipping charges be itemized on the quotation.

When requesting quotations for large equipment always request inside delivery whenever possible.

If inside delivery is not provided, it is the responsibility of the requisitioning department to contact Plant Operations to make the necessary arrangements for removal from the truck and delivery to the department.

The Purchasing department will make the arrangements for all inside delivery for all items specified and quoted through the Purchasing department.

CHANGE ORDERS

If it becomes necessary to make any changes in the original purchase order, such as price, terms, description, additions, deletions, cancellations, etc., contact the Purchasing Director in writing (email) with the changes required. The Purchasing Director will revise the original purchase order if possible or will request an additional requisition be submitted.

CLAIMS FOR DAMAGES OR SHORTAGES

In cases of damage or shortage of a shipment, it is important that you notify the Purchasing Department at once. Send all shipping papers along with a memo specifically describing the extent of damage or shortage. Any damage or shortage should be noted on the freight bill and signed by the driver. If damage or shortage is not evident at time of delivery, we must notify the carrier within fourteen (14) days of delivery. The carrier will then arrange for an inspection. It is extremely important that all containers, packing material, wrappers, etc., be retained for the carrier's inspection. Failure to keep this material may void any chance of obtaining a claim.

Once the claim Inspection Report has been received, the Purchasing Department will process the final claim report.

RETURN OF MERCHANDISE

Merchandise to be returned to suppliers for adjustment or credit should be cleared through the Purchasing Department.

When a supplier has shipped items specified on the purchase order, he has legally complied with his part of the contract and is under no obligation to accept for credit any of those items delivered as specified. Acceptance of a return by the supplier is by no means automatic, and a re-stocking charge may be incurred. This charge, along with the two-way freight charge, will be assessed to the requisitioning department. A return authorization from the supplier is required prior to returning anything.

PREPAID PURCHASES

On certain transactions, it is necessary to enclose a payment with the order. If such is the case, you should submit a **CHECK REQUISITION**, (Appendix 7) to the Controller's Office with an explanation, renewal notice or order attached, if applicable. **This is ONLY applicable to subscriptions, publications and booklets, memberships. College issued Procurement cards may also be used for these purchases. For purchases of supplies or equipment, the Purchasing Office should be contacted to make payment arrangements.**

V. SUSTAINABILITY

Green Purchasing Policy

Overview:

Muhlenberg College is committed to reducing negative impacts on the environment wherever possible and recognizes that the purchase, use, and disposal of products impacts the environment and public health. Muhlenberg intends to integrate economic, ethical, environmental, and social considerations into all purchasing decisions, while maintaining standards of cost and value.

Price, performance, availability and environmental considerations will all be taken into account when making purchasing decisions in such a manner that maintains fiscal responsibility, while promoting practices to improve public health and safety, to reduce pollution, and to conserve natural resources.

It is important to reduce waste at the point of purchase. Faculty, staff, and students must share responsibility for implementing a green purchasing plan, for reducing unnecessary orders, and for purchasing products made from recycled material that can be reused or recycled. All external vendors working on campus are encouraged to adhere to this policy.

Definition:

Environmentally preferable products and services are those that are less detrimental to the environment and human health than competing products and services. Considerations include raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, and final disposal of the product.

Preferred Environmental Attributes

- Durable as opposed to single use or disposable; also upgradeable where applicable.
- Made from recycled materials with a maximum of post-consumer content.
- If recycled materials not available, made of rapidly renewable materials.
- Biodegradable or compostable
- Recyclable, or if not recyclable, able to be disposed of safely.
- Made from raw materials obtained in a sustainable, environmentally sound manner.
- Manufactured in an environmentally sound manner by companies with good environmental track records.
- No or minimal environmental damage caused during normal use and maintenance.
- Minimal use of additional consumables

- Non-toxic or minimally toxic and carcinogen-free
- Heavy metal free (lead, mercury, cadmium)
- Energy efficient
- Water efficient
- Shipped with minimal packaging, necessary packaging preferably made of recycled materials and collected for reuse.
- Produced locally or regionally in order to minimize the environmental costs associated with shipping.

Specific Goals and Recommendations:

General:

Evaluate total cost of ownership and purchase durable goods.

- Use life-cycle cost analysis rather than choosing goods with the lowest purchase price-factor in purchase price, operating and energy costs, maintenance, consumable supplies, collection and disposal, and recycling costs when selecting goods and suppliers.

All college personnel participating in the ordering process should minimize waste through careful consideration of what supplies and in what quantities are really necessary.

Encourage electronic/paperless ordering processes (Muhlenberg currently uses Web Purchasing), including web-based catalogs and programs.

Include environmental criteria in bid specifications.

Require vendors to minimize packaging and to reclaim packing and delivery materials for reuse (particularly pallets and other durable items).

Lease or rent rather than purchase when appropriate

- This gives vendor responsibility for the upkeep and disposal of goods.
- Businesses that lease equipment tend to manufacture more durable items, salvage reusable parts, refurbish, recycle, or donate used equipment that can no longer be leased.
- Renting is a cost-effective option for short-term equipment needs.

Recommendations for Paper and Office Supplies

Purchase office paper and other supplies (tablets, folders, etc.) with a minimum of 30% post-consumer waste (PCW) recycled content, and preferably 100% PCW recycled content.

For uncut paper, including janitorial supplies require 100% PCW recycled content.

Purchase recycled toner cartridges and recycle ink and toner.

Purchase printers, copiers, and fax machines with duplex capabilities and make duplex mode the default setting.

Give preference to Energy Star appliances and require suppliers to deliver electronic.

Recommendations for Appliances and Electronics

Equipment with energy efficiency and conservation features enabled.

Use rechargeable batteries rather than disposable batteries where possible.

Require new computers, laptops, and monitors to meet Bronze registration or higher under the Electronic Products Environmental Assessment Tool, with additional consideration given to electronics that meet Silver or Gold registration (EPEAT; www.epeat.net).

Recycle all electronic waste in a responsible manner

- Give preferences to manufacturers who take back electronics for recycling at the end of their lifespan.
- Contract with a vendor who has signed the [Electronics Recycler's Pledge of True Stewardship](http://www.ban.org/pledge/TrueStewardship) (vendors found at <http://www.ban.org/pledge/Locations.html>) for additional electronic recycling (batteries, computers, etc.); provided the vendor meets any additional necessary requirements and certifications.
- Require a take-back program for packaging of electronics products, with preference to those offering programs free of charge.
- Give preference to packaging that is reusable, minimizes use of hazardous and non-recyclable materials, and is made of recycled post-consumer waste content and/or is biodegradable.

Recommendations for Furniture and Structures

Purchase recycled plastic outdoor-wood substitutes for benches, fencing, signs, etc. when aesthetically acceptable and financially prudent considering life cycle costs.

When purchasing wood products, give preference to wood sustainably harvested (FSC certified) and with low VOC and formaldehyde content.

Give preference to durable fabrics made with recycled content.

Give preference to carpet, tiles, and insulation made of recycled and non-toxic materials.

Recommendations for purchasing goods containing fewer toxic constituents

Use Green Seal certified cleaning products whenever possible.

Choose bio-based and biodegradable solvents, cleaners, inks, lubricants, and fuels whenever possible.

VI. SUPPLIER DIVERSITY: Muhlenberg College commits itself to good citizenship in the wider, local community by supporting with our business those vendors and services that are operated by and fairly employ underrepresented groups. When requesting quotations, bids, proposals, vendors are requested to identify if they qualify as a women owned businesses, small disadvantaged business, and veteran owned business or other as defined by the small business administration.