Purchasing 101
(For all Funding Sources Except Foundation)
OBJECTIVES

● Overview of Purchasing – how and why we do what we do (Policies and Procedures – Where would we be without rules; jail or the newspaper!)

● How do I buy something – The correct (legal) way of course

● When to contact Purchasing – There is a time and a place for everything

● Who to contact at Purchasing – Make sure you’re talking to the right person

● Requisition Process – Don’t ask me; it’s a Banner thing!

● Pay Request for Confirmation Orders – Don’t go down that path!
Purchasing Overview

- Board of Governors Regulation 18.001. Approved by the Board of Trustees on October 2, 2008

- UNF Regulation 13.0010R
  http://www.unf.edu/anf/purchasing/polproc/Purchasing_Regulations.aspx
How Do I Buy Something

- If it’s not on the P-Card (http://www.unf.edu/uploadedFiles/anf/controllers/pcard/Allowable%20and%20Nonallowable%20List%20%2003-22-2011.pdf) or
- If it’s not on the Direct Pay Allowable List (http://www.unf.edu/uploadedFiles/anf/controllers/accounts_payable/direct%20pay%20procedure%202010-04-10.doc),
- then you need a Purchasing Requisition
How Do I Buy Something, continued

- Additional approvals required of:
  - printed materials
  - IT hardware and software
  - security cameras
  - Logo’ed items
  - Chemicals
- All requisitions must be approved by the Controlled Spending Committee.
- Be sure to include a justification for your purchase in the document text of the requisition in Banner.
How Do I Buy Something, continued

• The Department has a need for good or services.
  • The Department documents in complete detail all requirements for the commodity or service required. (You are the technical experts! You know what you want a lot better than I do!)
  • Insure the specifications are complete and written by UNF personnel and not a potential vendor.
  • Send your specifications to Purchasing and leave the shopping to us.
How Do I Buy Something, continued

- For goods or services up to $10,000
  - One vendor quote
  - Purchasing may use the vendor recommended by the department or another vendor
  - If a contract exists, we will change the vendor or return requisition for changes
  - Average Processing Time: 1-3 working days
  - More leadtime is always better!!
How Do I Buy Something, continued

- For goods or services from $10,000 - $24,999
  - A minimum of two competitive written or faxed quotations
  - Each vendor must be quoting the same specifications (apples to apples)
  - Purchasing may use the vendor recommended by the department or another vendor
  - If a contract exists, we will change the vendor or return requisition for changes
  - Average Processing Time: 3-10 working days
  - MORE LEADTIME IS ALWAYS BETTER!!
How Do I Buy Something, continued

- For goods or services from $25,000 - $49,999
  - Three or more competitive written or faxed quotations
  - Each vendor must be quoting the same specifications (apples to apples)
  - Purchasing may use the vendor recommended by the department or another vendor
    - If a contract exists, we will change the vendor or return requisition for changes
  - Average Processing Time: 5-14 working days
  - MORE LEADTIME IS ALWAYS BETTER!!
How Do I Buy Something, continued

- For goods or services over $50,000
  - Formal sealed bid, Request for Proposal or Invitation to Negotiate

  **Processing time:**
  - *Invitation to Bid = 6 weeks*
  - *Request for Proposal = 8 weeks*
  - *Invitation to Negotiate = up to 6 months*

- If a contract exists, we **will** change the vendor or return requisition for changes

  **MORE LEADTIME IS ALWAYS BETTER!!**
How Do I Buy Something, continued

• Specification Types
  • Technical Specifications (brand, make, model, description, accessories, etc.)
  • Performance Specifications (capabilities, tasks required, speed, accuracy, installation requirements, etc.)

• Delivery Requirements
  • Date item(s) must be received
  • Date of performance or training
  • Dates must be realistic

MORE LEADTIME IS ALWAYS BETTER!!
2/8/2012
How Do I Buy Something, continued

- **Shipping**
  - who will pay
  - what type
  - where to deliver - on or off campus

- Failure to include complete and accurate specifications can be expensive and/or dangerous. Examples:
  - Did you assume that software would come with that laptop?
  - Did you know that batteries did not come with that flashlight?
How Do I Buy Something, continued

• Don’t Forget:

  – Department (requisitioner or end-user) specifies quality and other requirements

  – Purchasing assists in sourcing and ascertaining the price of the purchase.
When To Contact Purchasing

- The Department has a need for goods or services but don’t have a source or are unsure of the process.
- Contact Purchasing, we are your one stop shopping, no pun intended!
Who To Contact in Purchasing

- On the Purchasing webpage on the “Contact Us” Link these is a hyperlink to “Buyer Commodity Assignments Jan 2012”.
- Click that link and search for your commodity.
- If you can’t find your commodity or you are not sure, please call the Department at extension 2730 and someone will help you.
The Requisition Process
(All purchases of goods and services except for Foundation)

Step 1
- Department creates a requisition in Banner

Step 2
- Department submits supporting documents, such as quotes or specifications, to Purchasing via: faxing to Purchasing at ext. 2462 or scanning and emailing to banner-purchase@unf.edu

Step 3
- Requisition goes through approval queues and is routed to Purchasing

Step 4
- Purchasing verifies price and sourcing, creates a Purchase Order (PO) and communicates with the vendor
The Requisition Process, cont.

(All purchases of goods and services except for Foundation)

Step 5
• Vendor fills the order and sends an invoice to UNF

Step 6
• Order is sent to UNF Central Receiving who issues a receiving report in Banner

Step 7
• Central Receiving delivers the order to the department

Step 8
• Accounts Payable receives and processes the invoice for payment
Pay Request for Confirmation Orders

- What is a Pay Request for Confirmation Order?
  - A UNF Employee that signs a contract or authorizes a purchase of goods or services without first obtaining a purchase order.

- How to avoid confirming orders?
  - Simple! Do not place your order with a vendor.
  - Submit your purchase request to the Purchasing Department via a Banner requisition.
  - Remember, a requisition is not a Purchase Order
  - When in doubt, call Purchasing for advice.
Pay Request for Confirmation Orders, continued

- What happens if I obtain goods or authorize a service without proper authority?
  - Pay Request for Confirmation form must be completed with the invoice attached.
  - Requires recommendation by the Purchasing Director for action: process invoice, return items to vendor or return to department for alternate funding
  - Requires approval of Division Vice President and VP of Administration and Finance
Pay Request for Confirmation Orders, continued

- Consequences for having to use a Pay Request for Confirmation orders?
  - May have to pay for the goods or services using alternate funds (Foundation or personal)
  - Vendor notified and repeat offenses may result in vendor debarment.
Recap

- Follow these guidelines AND involve Purchasing early in your acquisition process. We guarantee you will receive the best value, product or service in a timely manner.

QUESTIONS?