



NORTHWEST
MISSOURI STATE UNIVERSITY

PURCHASING USER'S GUIDE

(For use by Northwest Employees)

May 13, 2019

TABLE OF CONTENTS

Preface

Mission Statement

Sections:

- I. Purchasing Guidelines**
 - A. Purchases Under \$5,000 (Except Items Referred to in D, E, F and G)
 - B. Purchases of \$5,000 – \$99,999
 - C. Purchases \$100,000 and Above (Advertising Required)
 - D. Purchases Involving Contracted Labor/Installation
 - E. Computer Equipment & Software
 - F. Printing/Publication Requirements
 - G. Purchasing Exceptions Regardless of Dollar Amount
 - H. Expense Account Codes
 - I. Exemption from Missouri Sales Tax
 - J. University Purchasing Authority
 - K. Employee Orientation
 - L. Receiving Supplies
 - M. University Blanket Contracts for the Maryville Area Only
 - N. Missouri Vocational Enterprises (MVE)
 - O. Violation of Rules and Regulations
- II. Purchase Requisitions**
- III. Return of Supplies**
- IV. Surplus and Disposal of Supplies**
- V. Central Stores**
- VI. Purchasing Personnel**
- VII. Attachments**
 - A. Missouri Sales Tax Exempt Letter
 - B. Shipping Form

PREFACE

This guide is intended as a desktop user's guide to basic purchasing procedures at Northwest Missouri State University.

The Purchasing Department performs many functions that are established by the University and State statutes. The major areas are:

Procurement (purchasing supplies and services)

Central Receiving (receiving and dispersing supplies)

Central Stores (source of basic office and educational supplies)

Surplus (disposing of state property that is no longer viable)

Educational Services (cooperative buying)

Website - <http://www.nwmissouri.edu/services/purchasing>

MISSION STATEMENT

PURCHASING DEPARTMENT

The objective of the Purchasing Department is to provide materials and services of the right quality, in the right quantity, at the right price, from the right source and at the right time.

This mission is accomplished through providing services for procurement of materials and services for both our internal and external customers; keeping inventory investment losses at an acceptable minimum; developing and maintaining reliable sources of supplies; developing and maintaining good vendor/public relationships; developing and maintaining support and integration with other departments and students; developing and training competent purchasing personnel; and developing policies and procedures to accomplish the objectives at the lowest acceptable cost through contracts and documented procedures in an efficient and effective manner while adhering to statutory mandates and recognized procurement practices.

SECTION I

PURCHASING GUIDELINES

A. PURCHASES UNDER \$5,000 (Except Items Referred to in D, E, F and G)

Description of Purchases: “Supplies” which means: supplies, materials, equipment, contractual services and any and all articles or things.

Reminders: Supplies and services that are used repetitively throughout the year should be competitively bid and an “as needed” contract established with a vendor. Repetitive purchases for which the aggregate of all purchases exceeds \$4,999.99 during a fiscal year are not permissible.

Purchases shall not be split by issuing two or more orders to the same vendor or multiple vendors as a way to circumvent the \$5,000 bid limit.

Inherent in the delegation of procurement authority to departments is the expectation by University administration that appropriate paperwork and communication will occur between Departments, Purchasing, Central Receiving and Controller’s Office. In the event that repeated breakdowns in communication and paperwork processes occur, individual employee performance will be evaluated.

Purchasing Options:

1. State, University, & Cooperative Contracts - Submit Purchase Requisition (PR) (Section II)
2. Central Stores – Refer to Central Stores, Section VII.
3. Blanket Order
 - When picking up supplies:
 - sign the charge invoice
 - write existing Purchase Order (PO) number on invoice
 - submit invoice to Controller’s Office
 - Note:** Controller’s Office will match PO number on invoice to original order and pay vendor.
4. Employee P-Card – check your limit and procedures with the Executive Secretary for VP Finance
 - When phoning in an order to a vendor:
 - give vendor your P-Card #
 - tell vendor to enter “**P-Card**” on packing slip, invoice and shipping label
 - give shipping address to vendor as follows:

Northwest Missouri State University
Materials Distribution Center
Central Receiving
West 16th & College Park Drive
_____/_____/_____
(Person) (Dept) (Building & Room)
Maryville, MO 64468

Note: P-card purchases are exempt from sales tax like any other University purchase. Be sure to communicate this to the vendor/supplier. A copy of the sales tax exemption letter (see **Attachment A**) may be supplied to the vendor.

5. Direct Pay Voucher

Contact Controller's Office for procedures.

Typical uses of Direct Pay Vouchers are allocations to groups, Aramark, athletic guarantees, professional fees, bookstore purchases, candidate travel, cash advances, commissions, contributions and donations, entertainers or guest speakers, farm labor, honorariums, hotel reservations, insurance expense, land leasing, meals, medical (hospital, doctor, dentist), memberships and registrations, mileage, moving expenses, officials, photography, postage & freight, prizes and awards, reimbursement or refund to individuals, restaurant purchases, short term loans, textbooks, subscriptions, technical services, telephone, advertising (including billboards) and utilities.

B. PURCHASES OF \$5,000 - \$99,999

Description of Purchases: "Supplies" which means: supplies, materials, equipment, contractual services and any and all articles or things.

CERs: All construction, capital improvements, equipment, furniture, information technology hardware and software purchases requiring one or more expenditures totaling \$5,000 or more will require an approved CER before purchasing or project begins. CERs are requested through Facility Services.

Procedure: Create Purchase Requisition (PR) (Section II). Purchasing will process the order from existing contract or conduct a bid and process the order.

1. Special Instructions for Completing PR

- Contact Person - The University person with whom Purchasing should work in developing the bid, approving award of items, and approving funds.
- Date Required – Enter a realistic date.
- Item Text - Description of items are required to allow Purchasing to know what is being purchased and to ensure that the proper items are received. Include a generic name for the item (e.g. chair, wrench, etc.), a brand name if appropriate, a model number, size, and color. If literature is available, forward to Purchasing.
- Vendors - List at least three vendors to bid on the item. Include address, phone number, e-mail address and a contact person.

2. Bid Time Schedule

Calendar Days

- | | |
|--|----|
| • Purchasing to do research and prepare bid document
(Lack of specifications with PR will add calendar days.) | 14 |
| • Bid on street | 14 |
| • Bid opening | 1 |

- Evaluation/Award 1
- **Total** 30 days

Note: Any of the following may add calendar days.

- Prebid conference
- Holidays
- Buyer’s work load

C. PURCHASES \$100,000 AND ABOVE (Advertising Required)

Description of Purchases: “Supplies” which means: supplies, materials, equipment, contractual services and any and all articles or things.

Procedure: Submit Purchase Requisition (PR) (Section II). Purchasing will process the order from existing contract or conduct a bid and process the order.

1. Special Instructions for Completing PR

- Contact Person - The University person with whom Purchasing should work in developing the bid, approving award of items and approving funds.
- Date Required – Enter a realistic date.
- Item Text - Description of items are required to allow Purchasing to know what is being purchased and to ensure that the proper items are received. Include a generic name for the item (e.g. chair, wrench, etc.), a brand name if appropriate, a model number, size, color. If literature is available, forward to Purchasing.
- Vendors - List at least three vendors to bid on the item. Include address, phone number, e-mail address and a contact person.

2. PRs for Advertising

Advertisement must be run in two daily newspapers of general circulation in such places as are most likely to reach prospective bidders. The advertising must run for one day, preferably before or at the time the bid documents are ready to be sent to prospective bidders. Approximate costs for the most frequently used newspapers are:

- Kansas City Star \$100.00
- Maryville Forum \$ 35.00
- Springfield News Leader \$ 50.00
- St. Joseph News Press \$ 80.00
- St. Louis Post Dispatch \$100.00

3. Bid Time Schedule

Calendar Days

- Purchasing to do research and prepare bid document (lack of specifications with PR will add calendar days) 14
- Submit and run advertisement 5
- Bid on street 14
- Bid opening 1
- Evaluation 5
- Award 2

- **Total**

42 days

Note: Any of the following may add calendar days.

- Prebid conference
- Holidays
- Board of Regents approval
- Buyer’s work load

D. PURCHASES INVOLVING CONTRACTED LABOR/INSTALLATION

Prevailing Wage: Projects for construction, maintenance and repair must comply with the requirements by Department of Labor Standards as stipulated in Chapter 290 RSMo. Facility Services must be involved with the project(s).

1. Special Instructions for Completing Purchase Requisition (PR)

- Contact Person - The University person with whom Purchasing should work in developing the bid, approving award of items and approving funds.
- Date Required – Enter a realistic date.
- Item Text - Descriptions of project should include scope of work, technical specifications, alternates, drawings or sketches, special conditions, etc.
- Vendors - List at least three vendors to bid on the project. Include address, phone number, e-mail address and a contact person.

2. PRs for Advertising

If the project equals \$100,000 or more, a minimum of two (2) PRs for advertising must be submitted to Purchasing. The advertisements should run before or at the time the bid document is ready to be mailed to prospective bidders.

Projects \$100,000 & Above

Maryville Forum	\$70.00 x 2 days = \$140.00
KC Star	\$250.00 x 1 day = \$250.00

Approximate cost for Additional Resources:

St. Joseph News Press	\$100.00 x 1 day = \$100.00
Springfield News Leader	\$50.00 x 1 day = \$50.00
St. Louis Post Dispatch	\$100.00 x 1 day = \$100.00

3. Bid Time Schedule - after bid document has been prepared

Calendar Days

- Advertisement and bid on street 14
- Prebid to bid opening 14
- Bid opening to recommendation (summary & bid tabulation) 5

- Board of Regents approval over \$1M 15
- Notice of award to notice to proceed 12
- Notice to proceed to mobilization 5
- **TOTAL 65 Days**

E. COMPUTER EQUIPMENT AND SOFTWARE

It is important to maintain University wide compatibility of computer equipment and software. Information Technology must approve all computer equipment and software purchases prior to procurement

F. PRINTING REQUIREMENTS

It is the policy of Northwest Missouri State University that all printing requirements be processed through and approved by University Marketing & Communication. The department must complete a PR and a Design Project Request Form that can be found on University Marketing & Communication’s webpage:

<https://www.nwmissouri.edu/marketing/design/requestform.htm>.

G. PURCHASING EXCEPTIONS REGARDLESS OF DOLLAR AMOUNT

Departments do not have the authority to procure the items listed below. In all cases, these procurements must be referred to the Purchasing Department for processing.

- supplies available on current statewide and local contracts unless other arrangements are specifically allowed by the contract terms
- computer equipment and software (must be approved by Information Technology)
- telecommunications hardware, software and supplies (must be approved by Information Technology)
- copy machines (must be approved by Supervisor, Mail/Copy Center)
- Missouri Vocational Enterprises supplies
- printing (must be approved by University Marketing & Communication)
- vehicles (must be approved by Vice President for Finance)
- insurance (must be approved by Vice President for Finance)
- single feasible (sole) source purchases of \$5,000 and above
- construction - includes construction, renovation, improvement, enlargement, alteration, painting and major repairs (must be approved by Vice President for Finance)
- disposal of surplus property including trade-in

H. EXPENSE ACCOUNT CODES

Definition: Expense account code is a four-digit extension to an account number used to categorize expenditures. General categories for these codes are:

7151-7169 Office/Communication

7602-7622 Equipment purchases (\$5,000 and above)

(Items purchased with a value of \$5,000.00 and above with a life expectancy greater than one year. These items will be property control tagged by Central Receiving.)

A list of account codes may be obtained from the Controller's Office website:
<http://www.nwmissouri.edu/services/controller/pdf/accountcodes.pdf>

I. EXEMPTION FROM MISSOURI SALES TAX

The State of Missouri letter on the Exemption from Missouri Sales and Use Tax on Purchases states:

“Purchases by your organization are not subject to sales or use tax, if within the conduct of your organization's exempt functions and activities. When purchasing with this exemption, furnish all sellers or vendors a copy of this letter. With the exception of materials paid for by construction contractors under section 144.062 RSMO, all purchases must be directly paid for from funds of the organization. This exemption may not be used by individuals making personal purchases. A contractor may purchase and pay for construction materials exempt from sales tax when fulfilling a contract with your organization only if your organization issues a project exemption certificate and the contractor makes purchases in compliance with the provisions of section 144.062, RSMO.”

See **Attachment A** for a copy of the tax-exempt letter.

J. UNIVERSITY PURCHASING AUTHORITY

Northwest Missouri State University purchasing power is authorized through the Board of Regents and state statutes. The University is expected to comply with these directives or be subject to loss of purchasing authority.

K. EMPLOYEE ORIENTATION

All employees that will have any responsibility for budgets or purchasing need to go through an orientation session with the Controller's Office and Purchasing Department. Contact Purchasing to schedule an orientation.

L. RECEIVING SUPPLIES

Supplies purchased with a Purchase Requisition/Order must be received by the University through the Central Receiving Department. Notify Central Receiving if supplies are picked up or delivered directly to the department by the vendor.

M. UNIVERSITY BLANKET CONTRACTS FOR THE MARYVILLE AREA ONLY

The Purchasing Department establishes University blanket contracts for small dollar, repetitive supplies that may exceed \$4,999.99 within a year. Contracts are generally established with Maryville area vendors to guarantee a discount on current prices. The contract should be used for in-stock supplies on an as needed basis. Each contract is issued for a **one**-year period only.

Restrictions of contract:

1. A purchase order (PO) shall not exceed \$24,999.99.
2. No line item on an invoice shall exceed \$4,999.99 or be duplicated on an invoice. If a specific supply exceeds \$4,999.99, it must be bid by the Purchasing Department.

There are two ways to purchase from University blanket contracts:

1. Specific Order

- a. Prepare a Purchase Requisition (PR) for specific supplies. No line item shall exceed \$4,999.99. The PR total shall not exceed \$24,999.99. Reference the contract number, the percent of discount, person who quoted price, whether being picked up or delivered to campus and special instructions or information.
- b. After the Purchasing Department processes the PR to a PO, the department may pick up the supplies.
- c. The vendor shall prepare an invoice referencing the PO number, showing line items, quantities, item costs, sub-totals, discounts and total.
- d. Obtain a copy of the invoice from the vendor. Check the invoice to make sure discount has been applied. Sign the invoice with a readable signature.
- e. Send the invoice to Controller's Office.
- f. Notify the Purchasing Department that the supplies have been received.

2. Blanket Order

- a. Prepare a PR, not to exceed \$24,999.99, as a blanket order referencing the contract number and the percent of discount.
- b. After the Purchasing Department processes the PR to a PO, a copy will be e-mailed to the vendor.
- c. As a department needs an item from this vendor, it may be picked up and the vendor given the PO number.
- d. The vendor shall prepare an invoice referencing the PO number, showing line items, quantities, item costs, sub-totals, discounts and total.
- e. Obtain a copy of the invoice from the vendor. Check the invoice to make sure discount has been applied. Sign the invoice with a readable signature.
- f. Send the invoice to Controller's Office.
- g. The remaining balance to be used for purchases will be monitored by the department. The remaining balance is the total of the PO minus all expenditures.
- h. When expenditures reach the approximate amount of the PO (not to exceed the total) **or** the last purchase is made, mark the invoice, "**FINAL.**" Controller's Office will close the PO. Any further purchases would require initiation of a new PR.

The Purchasing Department will cancel any outstanding balances on PO's at the end of the contract period.

For a current contract list, visit our website at

<https://www.nwmissouri.edu/services/purchasing/pdf/University-Contract-List.pdf>.

N. MISSOURI VOCATIONAL ENTERPRISES (MVE)

Northwest is required to purchase from MVE, per 217.575 and 217.580 RSMo. A link to the MVE catalog is available on the Purchasing website. In order to purchase elsewhere, a letter of justification (e.g. cost, delivery time, etc.) must be provided to the Purchasing Department. A waiver request is sent to MVE for approval. If MVE approves the request, the buyer will process the Purchase Order. If MVE does not approve the request, the department will be notified. Examples of MVE items are file cabinets, tables, desks, bookcases, chairs, lounge seating, modular office systems, Missouri State flags, shelving, custodial supplies, etc.

O. VIOLATION OF RULES AND REGULATIONS

Whenever any department shall purchase or contract for any supplies, materials, equipment or contractual services contrary to the rules and regulation made thereunder, such order or contract shall be void and of no effect. The head of such department shall be personally liable for the costs of such order or contract and, if already paid for out of state funds, the amount thereof may be recovered in an appropriate action instituted therefor.

SECTION II

PURCHASE REQUISITIONS

Departments can view their budgets and create Purchase Requisitions through CatPAWS and/or INB. Instructions and training videos are available on the Purchasing website: <http://www.nwmissouri.edu/services/purchasing/banner.htm>.

Call the Purchasing Department at 1177 for Purchase Requisition training.

Call the Accounting Office at 1101 for Banner/FOAP access.

Call the IT help desk for password assistance.

SECTION III

RETURN OF SUPPLIES

If supplies need to be sent to a vendor, complete the “Shipping Form” (**Attachment B**), attach to the supplies and deliver to Central Receiving.

If the items were ordered on a purchase order, contact Purchasing to coordinate the return.

For pick-up arrangements, call the MDC at 1508 for scheduling.

Central Receiving will make arrangements with the appropriate shipping company to pick up the supplies.

The cost of shipping the supplies will be taken out of the department FOAP unless a vendor is issuing a call tag.

SECTION IV

SURPLUS & DISPOSAL OF SUPPLIES

Equipment and supplies may not be donated, sold, traded-in, junked or transferred to another entity without approval from Purchasing.

If equipment or supplies need to be removed from a department, create a Facility Services work order through myNorthwest to have the items brought to surplus.

Northwest has two types of surplus: used supplies & furniture and auction items.

Used supplies & furniture are property that may be useful to other departments on campus, such as desks, file cabinets, chairs, etc. A department may “claim” that furniture on a first-come-first-served basis. If the furniture needs to be delivered, the department must submit a Facility Services work order through myNorthwest

Auction items will be sold at a surplus auction or on GovDeals. These items can be taken for departmental use prior to the auction cut-off date.

Surplus auctions are held on an as-needed basis and are open to the public.

These items are located in the Materials Distribution Center. To view the used supplies & furniture or the auction items, visit MDC or view pictures on the Purchasing website.

SECTION V

CENTRAL STORES

Central Stores is a source of basic office and educational supplies. These supplies are available at cost to departments.

A Central Stores Requisition must be entered on the Banner INB system to purchase items. Items are billed directly to the provided FOAP on the requisition. Orders are filled and delivered by the Materials Distribution Center staff, usually within two days.

Instructions to enter an order are available on the Purchasing website:

<http://www.nwmissouri.edu/services/purchasing/banner.htm>.

SECTION VI

PURCHASING PERSONNEL

Contact information for Purchasing personnel is available on the Purchasing website:
<https://www.nwmissouri.edu/services/purchasing/staff.htm>.

SECTION VII ATTACHMENTS

ATTACHMENT A
State of Missouri

EXEMPTION FROM MISSOURI SALES AND USE TAX ON PURCHASES

Issued to:

Missouri Tax I.D.
Number:10659854

NORTHWEST MISSOURI STATE UNIVERSITY
800 UNIVERSITY DR
MARYVILLE MO 64468

Effective Date:
07/11/2002

Your application for sales/use tax exempt status has been approved pursuant to Section 144.030.2(20), RSMO. This letter is issued as documentation of your exempt status.

Purchases by your Organization are not subject to sales or use tax if within the conduct of your Organization's exempt functions and activities. When purchasing with this exemption, furnish all sellers or vendors a copy of this letter. This exemption may not be used by individuals making personal purchases.

A contractor may purchase and pay for construction materials exempt from sales tax when fulfilling a contract with your Organization only if your Organization issues a project exemption certificate and the contractor makes purchases in compliance with the provisions of Section 144.062, RSMO.

Sales by your Organization are subject to all applicable state and local sales taxes. If you engage in the business of selling tangible personal property or taxable services at retail, you must obtain a Missouri Retail Sales Tax License and collect and remit sales tax.

This is a continuing exemption subject to legislative changes and review by the Director of Revenue. If your Organization ceases to qualify as an exempt organization, this exemption will cease to be valid. This exemption is not assignable or transferable. It is an exemption from sales and use taxes only and is not an exemption from real or personal property tax.

Any alteration to this exemption letter renders it invalid.

If you have any questions regarding the use of this letter, please contact the Division of Taxation and Collection, P.O. Box 3300, Jefferson City, MO 65105-3300, Phone 573-751-2836.

ATTACHMENT B
SHIPPING FORM

Fill out completely as requested and send this form to Central Receiving with merchandise to be shipped or returned.

Date: _____ Department: _____

Department Personnel Signature: _____

Purchasing Authorization Signature: _____

SHIPPING INFORMATION

Ship To Address: _____

ATTN: _____

Return Authorization Number If Applicable: _____

Reason For shipping or return: _____

Shipment To Be Sent: PREPAID FREIGHT COLLECT COD CALL TAG PICK-UP

If Prepaid, Department Account Number To Charge: _____

Contents Being Shipped: _____

Value: _____ Date Need To Be Shipped By: _____

Special Instructions (Insurance, Packaging, Carrier, Etc.) _____

ADDITIONAL INFORMATION

WAS MERCHANDISE RECEIVED BY A PURCHASE ORDER: NO YES

IF YES, PO #: _____ HAS PURCHASING BEEN NOTIFIED OF RETURN: NO YES

IF NO, HOW WAS MERCHANDISE RECEIVED BY NORTHWEST: _____

SHIPPING ACTION BY RECEIVING

CARRIER: _____ DATE SENT OUT: _____

WT./OR # OF PKGS: _____ FREIGHT/INSURANCE CHARGES: _____

RECEIVING SIGNATURE: _____ DATE: _____