



## PURCHASING & CONTRACTS DEPARTMENT

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### Policies and Procedures

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**F.PC.001.PR.1 Introduction**

This policy manual has been prepared to provide all Schools, Colleges and Departments with a reference guide for purchasing and disbursement of funds for goods and services so that all procurement functions are performed in a uniform manner.

In the operation of various and widespread activities at Pace University, it is essential that standard purchasing policies be established within the University, with industry and the general public.

In its relation with vendors, the University subscribes to the principles and standards of purchasing practice of the Code of Ethics of the National Association of Educational Procurement.

These policies and procedures are the guidelines supported by the Office of the Executive Vice President for Finance and Administration and Treasurer.

**F.PC.001.PR.2 Code of Ethics**

**Advocated by**

**THE NATIONAL ASSOCIATION OF EDUCATIONAL PROCUREMENT**

1. To give first consideration to the objective and policies of my institution.
2. To strive to obtain the maximum ultimate value of each dollar of expenditure.
3. To cooperate with trade and industrial associations, governmental and private agencies engaged in the promotion and development of sound business methods.
4. To demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or sample of the product.
5. To decline personal gifts or gratuities which might in any way influence the purchase of materials.
6. To grant all competitive bidders equal consideration; to regard each transaction on its own merits; to foster and promote fair, ethical and legal trade practices.
7. To use only by consent original ideas and designs devised by one vendor for competitive purchasing purposes.
8. To be willing to submit to arbitration on any major controversies.
9. To accord a prompt and courteous reception in so far as conditions permit to all who call on a legitimate business mission.
10. To counsel and cooperate with NAEP members and to promote a spirit of unity among them.



**F.PC.001.PR.3 Purpose**

To establish the **policies and procedures** to be followed in the procurement of equipment, supplies and services. These procedures are applicable to all schools or departments, regardless of where the funds originate.

**F.PC.001.PR.4 Functions of the Purchasing & Contracts Department**

1. The main function of the Purchasing & Contracts Department is to **render assistance** to all departments of the University in the procurement of equipment, supplies and services.
2. To provide assistance in procurement by **obtaining quotations, ordering and expediting deliveries, and making adjustments** until the supplies or services are received or performed satisfactorily.
3. To be a center of information on sources of supply for the many items used by the University.
4. To obtain the best value for every dollar expended.
5. When the technical details involved make it advisable for certain schools or departments to aid in the preparing of the specifications for the order involved, the Purchasing Department shall seek the advice and cooperation of the dean or department head involved in the specific purchase.
6. In order to fulfill these functions, the Purchasing & Contracts Department may enlist your cooperation, and promises in return its best efforts to help you with your procurement needs.
7. To make the work of the Purchasing & Contracts Department effective, it is necessary that you:
  - a). **Anticipate your requirements sufficiently in advance** to permit the Purchasing & Contracts Department to do a good job of buying. The axiom, "Haste Makes Waste" is particularly true in the field of purchasing.
  - b). **Make your requisitions specific and clear in every detail.** This is where the needs, desires, requirements, and wants are made known to Purchasing. The key piece of information that must be provided is the product specification or service statement of work.
  - c). **Keep strictly confidential all information and quotations submitted by competing vendors.**



8. **Unauthorized purchasing.** The purchasing department is the only legally authorized purchasing agent for the university. When a non-agent at the university makes a direct commitment with a supplier without contacting the purchasing department this is known as unauthorized purchasing. Unauthorized purchasing circumvents the budget financial system and approval procedures for purchases.

**Suggestions for improving procurement services are welcome** and should be directed to the Purchasing Department. The department is resourceful and willing to discuss procurement needs so that we can be prepared to serve all interests to the best advantage.

**F.PC.001.PR.5 Purchasing Policies**

1. All orders for equipment, supplies, and services are to be submitted to the Purchasing Department via the Pace E-procurement system through an on-line requisition. All purchases made by Pace University are **New York State Tax-Exempt.**

**NOTE: The on-line requisition should not be printed and forwarded to vendors for any acquisitions. This is not a PURCHASE ORDER.**

2. All orders for equipment, supplies and services will be sent to vendors on an **official Pace University Purchase Order via the Pace E-procurement system.**
3. Bids or quotations are required as follows:
  - a) Departments requesting goods or services where price is the main or only factor in selecting a successful vendor shall use the quote purchasing process. Requesting departments must follow the procedure that corresponds with the total value of the procurement.
  - b) For goods or services between \$5,000 and \$15,000, it is suggested that the requesting department obtain two formal quotes in writing. *Goods and Services valued between \$0 and \$5000 do not require a formal quote or bid.*
  - c) For goods or services between \$15,001 and \$50,000, the requesting department or Purchasing and Contracts department must obtain quotes from three sources (PCD will tabulate the results and determine the best value supplier in consultation with the requesting department). Once the selected supplier submits a confirming written quote, PCD will approve the purchase request. Goods and services over \$50,001(departments shall follow the RFP process for the procurement.

*If the complexity, scope, or risk to the institution of the good or service provide is complex for any product value, a formal request for proposal process may be the best approach. Should you be uncertain, please contact the Purchasing and Contracts department for guidance.*

- d) Exceptions to the above bid requirements will include equipment, supplies or services of a particular manufacturer, repair parts for special equipment and laboratory equipment of a special character or design desired for special instruction, demonstration, or research, where there is only a single source vendor or when a true emergency exists.



The above requirements of (b), (c), and (d) **can be waived** if purchases are made from the **New York State Contracts, the E & I Cooperative Service, Inc. contracts, and from Staples in obtaining office supplies.**

4. All purchase requests for goods and services require approval of the appropriate **Vice President, Dean or designated Department Head.**
5. The University cannot be obligated for equipment, materials, repairs, and services except by an official University purchase order issued by **the Purchasing & Contracts Department, or by a contract agreement executed and signed only by the Executive Vice president for Finance and Administration and Treasurer. Any obligation created otherwise is a personal obligation.** We recognize that emergencies occur; however, the Purchasing Department must be contacted immediately in such cases. Required documents must be submitted to the Purchasing & Contracts Department within 24 hours for processing of a purchase order.
6. Service Requisitions should be used for service contracts and must be approved by the appropriate heads of schools colleges and departments, Vice Presidents or the Purchasing & Department.
7. Payments/Purchases to vendors who are not individual service providers should be processed on Pace's e-procurement system using the "Non-Catalog Form" purchase request.

Yes should be selected in the **Contract?** drop down option at the bottom of the non-catalog form under External Info.

Unit Contract Managers may complete and submit the requisition form as part of their contract document submission(s).

Ariba contract purchase requests are approved by the Contracts Administrator when contracts are approved and signed.

The Contract Administrator will send confirmation emails to the Unit Contract Manager when this process is completed.

8. The Purchasing Department may discuss with the ordering schools or departments the quality and kind of materials requisitioned in order that the best interests of the University may be served. Commodity standardization is encouraged.
9. Sales Representatives will be received by appointment in the Purchasing Office. The Purchasing Department will function as the liaison between the University and the vendor where appropriate. This does not preclude schools or departments from meeting sales reps as necessary.
10. **The Purchasing Department will not negotiate for personal purchases. Employees cannot purchase goods or services for their own use under the name of the University, nor can they use the tax-exempt status of the University.** To do so is a direct violation of Federal laws, New York State laws, and University policy. Any violation of this policy will be referred to the appropriate department head and the Vice President of Human Resources.
11. The Purchasing Card program has been established to provide a convenient means with which to make purchases and to provide a convenient method for paying for those



purchases, **Departmental employees authorized to purchase on behalf of the University can visit the Purchasing Department web page for details; or call the Purchasing Card Administrator at ext. 22616 for details. See Purchasing Card Policy and Procedure manual for further information.**

12. Office supplies may be purchased from Staples as a preferred supplier of office supplies. Staples has been chosen as a result of formal, negotiated pricing.
13. Emergency needs are those that are caused by an unforeseen combination of circumstances and are for the purpose of preventing the loss of life or destruction of University property. Emergency needs will not be construed to mean anything else. When an emergency (defined as above) occurs, and immediate action is necessary, all procedures are voided to facilitate the quickest action possible to prevent loss of life or property. The individual responsible for the action should contact the Purchasing Department as soon as possible after the emergency has passed; explaining the situation and the necessity of issuing the purchase orders for work performed and supplies acquired.
14. **A purchase order number can only be obtained by submitting an online requisition via the Pace E-procurement system**
15. **Furniture purchases must first go through the Department of Facilities Planning & Interior Design in order to conform to the standards developed by the Purchasing Department and Office of Interior Design. Contact Theresa Cichetti, Director of Interior design at ext. 22739 or email [tcichetti@pace.edu](mailto:tcichetti@pace.edu).**
16. Computer IT equipment purchases must be approved by DoIT  
**For standards and specifications, log on to: <http://www.pace.edu/DoIT>.**
17. **Blanket Orders can only be issued as service requisitions** to support existing contracts which are purchase orders intended for multiple, repetitive purchases of services that have been competitively bid or have a pricing contract. Blanket Orders are not permitted to be used to provide an open line of credit with a supplier, ordering when prices are unknown at ordering time, or subject to change without notice. This also excludes tangible goods, such as equipment, parts, locks, etc. The use of the Purchasing card should be considered.

**F.PC.001.PR.6 Commitment to Supplier Diversity**

Pace University is committed to fostering a proactive and comprehensive supplier diversity program. The University recognizes supplier diversity as an important component of its overall diversity effort. In Support of these efforts, the Procurement Department encourages continuous relationships with minority suppliers. This includes small business and disadvantaged businesses, veteran-owned businesses, woman-owned businesses, and minority owned businesses.

Prospective vendors interested in working with Pace have the ability to use the VRS (Vendor Registration System), which allows the prospective vendor to identify itself as a diverse supplier.

Use of SUPPLIER DIVERSITY PROGRAM

Individual e-Procurement Marketplace users shall be encouraged to consider this commitment with all purchases under the required RFP process. The Purchasing and Contracts department will identify opportunities for supplier diversity during the RFP process.



What types of businesses are considered in the SUPPLIER DIVERSITY PROGRAM?

- **Small Business** – For profit organization, operates in the US, independently owned, non-dominant in its field and meets the size standards within the United States Small Business Association (US SBA).
- **Woman-Owned** – Must be at least 51% owned, controlled and managed by one or more women. Women must be US Citizens. Additional designations may be applied as defined in the US SBA.
- **HUBZone** – Historically Underutilized Business Zone, meets the small business standards above and falls within the designated urban and rural areas.
- **Additional programs** such as Minority Owned, Native American Owned, Veteran Owned, 8(a) Business Development Program, socially and economically disadvantaged businesses may be considered part of our supplier diversity program. Additional information can be found at the United States Department of Commerce Minority Business Development Agency.

Feel free to use the New York State M/WBE Directory located below.

[NEW YORK STATE CONTRACT SYSTEM](#)

If you have any questions please contact the Purchasing Department – [Purchasing@pace.edu](mailto:Purchasing@pace.edu)

**F.PC.001.PR.7 Requesting the Use of New Vendors**

When a University preferred vendor cannot provide the goods or services that faculty and staff desire, the use of an alternative vendor may be approved by the Purchasing Department. To request the use of a new vendor, the requesting department must complete the required vendor's information on the [Vendor Management System](#).

**F.PC.001.PR.8 W-9 Requirements for Vendors**

**W-9 Requirements for Vendors**

Pace University is required by law to obtain a tax identification number and certification when making a reportable payment to a vendor. The Office of Purchasing and Contracts requires IRS Form W-9 be collected for all new vendors prior to addition to our vendor master, conducting business with the University or payment for services rendered. Reasons for this requirement:

1. The W-9 ensures that accuracy of vendor data for purposes of 1099 reporting.
2. The W-9 ensures that Pace University houses a business's legal name and DBA name.
3. The W-9 ensures that Pace University has a payee's correct Tax Identification Number (FEIN or SSN).
4. The W-9 certifies the payee's tax withholding status.

**W-9 Request Guidelines**

- When a request is made to set up a new vendor, the requesting department will contact the vendor to request a signed W-9.



- The requesting department is responsible for collecting the W-9. The W-9 should only be received from the vendor by US Mail or secure fax. These are methods of transmission that are recognized as secure regarding sensitive information on the form.
- It is the responsibility of the requestor to ensure proper handling of the sensitive data in their possession.
- If the vendor is not willing to submit a W-9, the new vendor entry will be denied.

**Important notes about requesting a W-9 from a vendor**

- Departments should obtain the current W-9 form from the Purchasing website links, or vendor management system.
- The form must be completed and signed by the individual or business owner/representative. This form is not to be completed by the requesting department nor should departments tell the vendor what specific information to add on the form.
- If vendors need help in filling out a W-9, the department should refer them to the detailed instructions of the form or have the vendor contact their accountant or tax preparer.
- If the department receives a W-9 that is improperly completed, they must request a new form to be completed and signed by the vendor. The department cannot make corrections to the form on behalf of the vendor.

**F.PC.001.PR.9 Purchasing Procedures**

1. **All orders of equipment, supplies and services (to secure contracts, reservation, etc.) are initiated with the Pace E-procurement requisition. Purchase order (PO) or PO number will only be issued via the Pace E-procurement system.**
  - a). The online requisition must be completed and approved by the School Dean or Department Head. Requisitions should be specific and clear in every detail. If applicable, you may include catalog numbers, description of items, size, color, grade, etc., in the text of the requisition. Quantities must be specifically stated.
  - b). Requisitions will be rejected from the financial system for the following reasons:
    1. Insufficient information.
    2. Not entered properly into the E-Procurement System.
    3. Incorrect approval.
    4. Incorrect accounting distribution.
    5. Insufficient funds in the specified accounting distribution.
2. The Purchasing Department will issue a Purchase Order (PO) based on the information submitted on the Pace E-Purchasing system.





3. **Normal time** to process a Purchase Order is **48 hours** provided that the Purchase Order Requisition is complete, accurate with approval and sufficient in the proper accounting distribution.