



DONNELLY COLLEGE

General Purchasing Policies and Procedures

Purchase orders are required for all purchases. Procedures for preparing purchase orders are obtained from Division Managers. Once prepared and signed by the appropriate budget administrator, goods and services can be ordered. The original Purchase Order is to be submitted to the business office. Incomplete and/or improperly approved Purchase Orders will be rejected by the Business Office and returned to the Budget Administrator.

Standard Purchase Order

Standard Purchase Order Request forms are completed for all purchases except the following monthly and quarterly expenses:

1. Utilities
2. Telephone
3. Internet Provider Services
4. Insurance
5. Contractual Obligations
6. Monthly service invoices
7. Copier and equipment leases
8. Postage maintenance
9. Audit/Legal

The prudent use of College funds for travel is expected. This requires prior approval for such expenses which must be reasonable in the circumstances and must be necessary to the performance of the College business involved. It is each employee's responsibility to exercise proper judgment when incurring travel and/or conference expenditures. No expenditures will be reimbursed without prior approval.

Contracting with Individuals

The College hires sub-contractors to perform services such as consulting, building improvements, snow-removal, and mowing. Contracts can only be signed by the President or the Vice President of Business Affairs. The Division Manager must process all requisitions according to the Purchase Order Policy.

Bids

The following structure should be used when making purchases to determine how the bid process impacts purchasing decisions.

1. If the estimated cost of purchase is less than \$5,000, the selection of a vendor may be made by unrestricted open-market processes.
2. If the estimated cost of purchase is more than \$5,000 but less than \$10,000, quotations shall informally be obtained from two (2) or more qualified sources of supply.
3. If the estimated cost of purchase is more than \$10,000 but less than \$50,000 quotations will normally be obtained from three (3) or more qualified sources of supply, provided, however, the President may approve a vendor without three (3) or more qualified sources of supply being

verified if recent purchase information or group purchasing plans provide assurance of competitiveness.

4. If the estimated cost of purchase is more than \$50,000, the purchase shall be made by a competitive formal, sealed bidding process in which bids are solicited from at least three independent vendors, to include at least one minority bidder when possible. Purchases of \$50,000 or more shall be submitted to the board for approval after appropriate administrative evaluation and recommendation.