

FLORIDA INSTITUTE OF TECHNOLOGY

Expenditure Approval Limits

Purchase Requisitions:

Managers	\$4,999.99
Directors, Asst. Vice Provost, VP	\$9,999.99
Assoc. Vice President, Provost, CFO	\$24,999.99
President, Exec Asst. to President	\$999,999,999.99

Purchase Orders:

Purchasing Staff	\$19,999.99
Purchasing Manager	\$24,999.99
Vice President, Sr. Vice President	\$999,999,999.99

POLICY SOURCE: Purchasing & Material Management - Purchasing	POLICY NO.: 1530
TITLE: Small Purchase Orders	SUPERCEDES: 0
DATE: May 01, 2008	SUBMITTED BY: Levi Lewis
	APPROVED BY: Levi Lewis

I. PURPOSE

To identify the proper use of Small Purchase Orders.

II. SCOPE

This procedure applies to departments which have been given authority to use Small Purchase Orders.

III. BACKGROUND

Small Purchase Orders provide additional flexibility to authorized University departments/offices purchasing items and travel up to \$500.00. There are transactions that result in the expenditure of funds for goods and services in which Purchasing's involvement will have no effect on either cost or price avoidance, or exposure to loss. These can be called "no-value-added" transactions.

IV. PROCEDURE

A. Use and restrictions.

1. Small Purchase Orders are pre-numbered and pre-printed with an authorized signature from the Purchasing Department. Co-signature is required by the authorized individual for each account.
2. Small Purchase Orders can be obtained from the Purchasing Department by University departments in packs of ten (10) by submitting a memo with appropriate signatures from the requesting department. First-time users must have a representative pick up forms and receive brief instructions on their use. Purchasing will issue additional Small Purchase Order forms when eight (8) have been properly used and returned to Purchasing.
3. Purchases on Small Purchase Order Forms cannot exceed \$500.00 including individual airline tickets.
4. The dollar limit printed on the Small Purchase Order form may be exceeded only by the cost of freight, postage, and normal handling charges.
5. Small Purchase Orders cannot be used for the following transactions: Printing, Hazardous/Radioactive or Controlled Chemicals, and Items/services already covered by requesting department's blanket purchase orders, system contracts or maintenance agreements, or, goods associated with work order renovations.
6. Small Purchase Orders cannot be used for equipment items that are to be added to the University's formal inventory, or, items that will be tagged as 'Florida Tech Property', in accordance with the University's property management procedures.
7. Departments may not borrow Small Purchase Order forms from another department. Forms are registered to the department to which they were issued.
8. Multiple Small Purchase Orders cannot be used to cover a single transaction.
9. The Purchasing Department reserves the right to deny the privilege of using Small Purchase Orders to departments that misuse the system (e.g., orders exceeding the limit, untimely processing of paperwork or using inappropriate sources, insufficient funds, etc.) or fail to control the use of the forms.
10. **SMALL PURCHASE ORDERS WILL NOT ENCUMBER FUNDS.**

B. Process.

1. Each order must be completely typed or legibly printed and have the required signature.
2. Small Purchase Orders must include the vendor ID number, vendor's name, department, user's name and location, internal delivery instructions, index code(s), account number, general description, total price and signature of authorized individual.
3. After completion of the Small Purchase Order, the original white copy should be sent directly to the vendor, phone orders should be marked "Confirmed Do Not Duplicate". It should be noted to whom the order was given and the date the order was placed. The Small Purchase Order copies to be disbursed immediately upon placing the order, as follows: the goldenrod copy should be retained by the department, the pink copy sent to the Purchasing Department and the canary copy sent directly to Accounts Payable, respectively, immediately upon placing the order.
4. It is the issuing department's responsibility to notify the vendor if an order is canceled. Failure to cancel an order will result in the department being responsible for freight and restocking fees, if applicable. Voided or canceled orders must be marked void and distributed as above.
5. Receiving reports will not be required for approval of payment. Invoices must be sent to Accounts Payable.

Issues? Questions? Contact Web Services

POLICY SOURCE: Purchasing & Material Management - Purchasing

POLICY NO.: 1507

TITLE: Blanket Purchase Order Agreements

SUPERCEDES: 0

DATE: May 01, 2004

SUBMITTED BY: Levi Lewis

APPROVED BY: Levi Lewis

I. PURPOSE

To identify the use and procedures for Blanket Purchase Order Agreements. A Blanket Purchase Order Agreement is equivalent to opening a charge account with a vendor.

II. SCOPE

These procedures apply to all university departments/offices who have been given the authority to use Blanket Purchase Order Agreements by the Office of Purchasing. Grant accounts/Restricted accounts are excluded from using BPAs.

III. BACKGROUND

The Blanket Purchase Agreement is designed to reduce paperwork and is issued to vendors for the repetitive purchases of goods and services. Capital goods or equipment are not to be purchased with a BPA.

IV. PROCEDURE

A. The Office of Purchasing will determine when it is appropriate to issue Blanket Purchase Order Agreements and will negotiate directly with vendors. University Departments/offices may request Purchasing to investigate the use of BPAs via the attached form.

Also, a university department may request to open a BPA for a vendor that they utilize on a continual basis. The university department provides the Office of Purchasing with the authorization to do so.

The agreement will usually address the following vendor issues:

1. Effective Date through Expiration Date -- usually two or three years.
2. List of employees authorized to purchase under the agreement.
3. Dollar limit per transaction, maximum \$1500.00. Any exceptions will be determined by the Office of Purchasing.
4. A not to exceed total amount.
5. Billing procedure including the index, department/office, and account code.
6. Pricing methodology.
7. Delivery, returns, credits, warranties, and other policies.
8. Replaces a "sole source justification," document where appropriate.

B. Blanket Purchase Order Agreements will be entered on Florida Tech's Banner System utilizing a unique set of numbers assigned by the Office of Purchasing. The same purchase order number will be used on a recurring basis for each vendor.

C. BLANKET PURCHASE ORDER AGREEMENTS DO NOT ENCUMBER A DEPARTMENT'S/OFFICE'S BUDGET IN ADVANCE OF ACTUAL PURCHASES.

D. Invoices for Blanket Purchase Agreements will be mailed to Accounts Payable or to the appropriate department/office as directed by the Office of Purchasing.

E. It is the responsibility of the University Department/office to notify the vendor of the appropriate index and account number to charge.

Issues? Questions? Contact Web Services