Purchase Requisition Procedure

Purpose
The purpose of this procedure is to provide guidelines for the proper completion of a Purchase Requisition for current and new vendors. This is for anyone authorized to create a requisition. This procedure supports the Uniform Guidance Code and the Florida Green Book.

Procedure
This procedure outlines the process for obtaining goods and services at Florida Institute of Technology.

University purchasing practices must be conducted in a manner above reproach and except as authorized by statue or regulation, with complete impartiality or preferential treatment. See Procurement Policy and Consulting Contracting Procedure for more information.

Procurement Services will not create a requisition for another department. There are some exceptions when the Buyer will take the lead in creating a requisition, however these instances will be determined on a case by case basis.

Roles and Responsibilities

Approver
The approver acknowledges that the purchase of goods or services are in accordance with University policies and procedures and are charged to the appropriate account.

Buyer
Performs supplier analyses, coordinates the receipt of bids and quotes, and releases purchase orders based on internal approval limits.

Financial Manager
Requests, approves, and/or delegates purchasing transactions on behalf of his/her department for the dollar limits defined in the University’s Chart of Accounts Approval Queue Report.

Requester
Starts the process of requesting goods or services. Identifies and documents the need for goods or services that will accompany the requisition and determines that the costs are reasonable and allowable within budget and in compliance with Uniform Guidance Code and the Florida Green Book.

Initiator
The Initiator has the access to create the Banner requisition transaction based on direction from the Requestor. Attaching the appropriate documentation to accompany the requisition is the Initiator’s responsibility.
Purchasing Manager
Oversees purchasing operations, including approving purchase orders and requisitions requiring prepayment.

Procurement Services
Provides purchasing expertise and support to the University community, negotiates strategic and other contracts on behalf of the University, reviews required documentation, and issues authorized purchasing orders in compliance with Uniform Guidance Code and the Florida Green Book.

Florida Institute of Technology’s Negotiated Buying Solutions
The University is a member of the E&I cooperative buying solution that provides contractually negotiated competitive pricing with a number of suppliers. Using this platform for procurement allows the University to participate in a rebate program that provides a financial contribution to the University. The University also utilizes any State Negotiated Contracts as well as our E-Marketplace tool for competitive pricing. All of these aid in the enforcement and compliance with Uniform Guidance Code and the Florida Green Book.

Requisition Process

Once a Requester identifies a need for goods or services, the Requester is responsible for documenting the business need, and for determining that the costs are reasonable and allowable per the budget for the intended funding source.

Documentation of the business need for a purchase is an important part of the purchasing transaction record and must be attached to the purchase requisition for purchases over the competitive bidding threshold. The documentation supports effective financial management and is required during bidding and when requesting quotes.

The Requestor is responsible for forwarding all the appropriate documentation to the Initiator for action.

Confirm the Purchase is allowable
The Initiator must determine whether any of these constraints apply before moving forward with a purchase.

- Restricted Goods & Services. The Initiator should consult the Consulting Contracting Procedure, and Purchase of Restricted Items Policy.
- Sponsored Awards or Restricted Gift Funds. The Initiator must confirm that the purchase will comply with the terms of the sponsor.
- Estimate the Purchase Cost. The initiator is responsible for estimating the cost of the purchase. If the estimated cost is above the University’s competitive bidding threshold, he/she must follow the Competitive Bid Procedure. In this case, bidding or a sole/single sources justification is required for the purchase. If the estimated cost is below the University’s competitive bidding threshold, please contact the Procurement Services to seek assistance with supplier selection and purchasing method.
Gather the Necessary Information
The Initiator must provide the following information:

- Quantity and description, or detailed specifications, for the item or service to be purchased (including the catalog number, if applicable). The term ‘specification’ is defined as the technical and descriptive requirements of a product and its intended use and application. If specifications are incomplete or poorly written, the Buyer must work with the requesting department to improve them prior to the bidding process. Refer to the Purchase Specifications Guidelines for more information.

- Vendor selection:
  - If the University’s E-Marketplace Platform lists a suitable supplier, the department should follow the recommended purchasing method.
  - If the E-Marketplace Platform does not list a suitable supplier, the initiator may use an approved supplier already set up in Banner or request to add a new vendor in accordance with the Vendor Compliance Guidelines.
  - If the selected vendor/supplier is international, see below.

- Ship-to and Deliver-to location of the product or service
- Charging instructions to be used
- Bidding documentation (three quotes from suppliers) or Sole/Single Source Justification Form if the purchase cost exceeds the competitive bidding threshold.

Purchasing/Importing goods from International Vendors/Suppliers
Importing goods from abroad can be a complex process. Whenever something is shipped to the US from abroad, it is considered “customs business” and will involve US Customs and Border Protection. Purchases may need a freight forwarder to handle the shipping and Custom’s Broker to facilitate processing entry paperwork with US Customs. Importing laws and regulations, such as customs duties, tariffs, and the logistics of getting goods cleared for entry by US Customs may require thorough familiarity with compliance requirements and proper planning before proceeding with the transaction.

Certain goods may require a US government license or permit to import such as chemicals, plant, animal, dairy, prescription, pathogens, toxins, certain munitions, etc. Other Government agencies such as APHHIS, the FDS, CDC or ATF may be involved in import permitting.

Goods may also be subject to a US Customs tariff. Tariffs vary for goods depending upon the country of origin and the exact technical features of the goods. Certain types of scientific instruments or apparatus that are subject to a tariff may be eligible for duty-free entry, so long as proper US Customs paperwork is filed and approved.

Because of the complexity of importing goods, contacting the Director of Research Compliance for guidance on export control well in advance of the proposed transaction is strongly advised.

Tips:
- **Obtain formal pricing from the foreign manufacturer/vendor that itemizes each item and contains a sufficient description.** Shipping, tariffs and US Customs fees may not be included in an international vendor quote.
  - **Obtain product brochures, as these may be necessary for US Customs.**
• Request the manufacturer/vendor provide point to point shipping from the foreign point of origin to the final Florida Institute of Technology destination. If this is not possible, the Custom’s Broker can arrange shipping using some alternate freight forwarder.

• Obtain the Harmonized Tariff Code (HTN) of the goods you are purchasing, or review HTSUS list and self-classify the goods. Each HTN indicates applicable tariffs, if any.

• If your goods are listed under HTN 9810.00.60 they may be eligible for duty-free entry if the equipment is for educational or scientific purposes. Note that you must obtain a US government issues waiver using form ITA-338P.

• Obtain a Custom’s Broker quote to facilitate other anticipated expenses associated with your import.

• The purchaser shall request the export classification (either ECCN or ITAR Category) from the vendor before placing the order for equipment/hardware if:
  o The equipment/hardware is for an export controlled project (a technology control plan is or will be implemented);
  o The equipment/hardware will be shipped or taken outside the U.S., or
  o The equipment/hardware has an obvious military or space capability, or is a type of laser, sensor, infrared camera, or high-performance computer. Please contact the Export Control Program if you have any questions regarding equipment/hardware export controls

Creating the Purchase Requisition
The Initiator must have access to the Purchasing Module in Banner before creating a Purchase Requisition. Once access is secure, please refer to “How to Create a Requisition” training documentation for detailed instructions and reach out to a member of Procurement Services with any questions or problems. Once a Purchase Requisition is entered into Banner as complete, it will route electronically through approvals as defined by the University’s Approval Queue Report.

Creating the Purchase Order
Once the Purchase Requisition has final approvals, it will electronically route to the Buyer in Procurement Services for Purchase Order preparation and release. An email is automatically released to the Initiator once the Purchase Order has been sent to the vendor.