

## Quick Guide Checklist for NMHU's User Guide to Purchasing and Accounts Payable

Please contact the Purchasing Department for more detail any questions related to the list of key policies and procedures provided below. The Purchasing Department is located at 1005 University Avenue, Phone #: 454-3195.

<b>Sections #01-#03</b>
<input type="checkbox"/> These sections include an introduction to the User Guide, the purpose of Purchasing Department, policies on conflict of interest and code of ethics as related to purchases, and a list of allowable and unallowable expenses.
<b>Section #04: Use of On-Campus Sources</b>
<input type="checkbox"/> Purchases from <b>non-university vendors</b> require a Purchase Order (PO) to be submitted to the Purchasing Dept.
<input type="checkbox"/> <b>On-campus vendor</b> purchases over the cumulative value of \$100 must be submitted to the Purchasing Department with a PO. Include item specifications, account number and a quotation for each item price from the on-Campus vendor. If a quote cannot be provided, request the On-Campus vendor for a "not-to-exceed" price and include it on the PO. <i>Note: NMHU on-campus vendors include Bookstore, Print Shop, Physical Plant, Campus Security, and Athletic Department.</i>
<input type="checkbox"/> The NMHU <b>Physical Plant</b> installs, maintains, and repairs all building systems (i.e., electrical, plumbing, mechanical systems, safety and security systems)
<input type="checkbox"/> Purchases can be approved for services by the <b>Physical Plant and Facility Planning Departments</b> .
<b>Section #05: Petty Cash</b>
<input type="checkbox"/> <b>Petty Cash Form</b> from the Business Office is used for reimbursements of <u>expenditures</u> for \$75 or less per day/per vendor. Incremental purchasing, splitting one large purchase into several small purchases, <u>is not allowed</u> . Tax paid on purchases of tangible personal property (except restaurant charges) will not be reimbursed. Original cash register receipt, paid receipt, invoice marked PAID, credit card charge receipt, completed travel voucher or other proof of purchase and payment <u>must be attached</u> for each item to be reimbursed.
<b>Section #06: Check Request</b>
<input type="checkbox"/> <b>Check Request Form</b> is used to request checks for approved goods and services including non-employee honoraria and scholarships (not involving a service). See the User Guide #06-pp. 1-3 and #06A, p. 1 for a list of the preapproved transaction list. Proper documentation with the price, payee's name or contract must be stapled to back of the Check Request form (some exception exist see #06, p. 5.). <i>Approval for payment for items not on the preapproved list must obtained by the Director of Purchasing Department.</i>
<input type="checkbox"/> <b>Individual/Separate Checks</b> is a procedure used when more than one check is needed for the same "type of payment" but to different payees (e.g. refunds, stipends, officials, etc.). The preparation of the Check Request form is the same as for any other payment (some exceptions exist (see #06, p. 6. in the User Guide).
<b>Section #07: Travel Policy and Procedure</b>
<input type="checkbox"/> <b>Out-of-state travel</b> requests must be submitted to the Business Office at least 10 working days prior to the start of the trip and approved by the President or his/her designee.
<input type="checkbox"/> For travel where <b>no reimbursement</b> will be sought, a Travel Request Form must be completed and submitted prior to the start of the travel for supervisor approval and employee insurance coverage purposes.
<input type="checkbox"/> All travelers seeking <b>reimbursement</b> of travel costs incurred by using personal funds should submit a completed Travel Voucher to the Business Office within 30 working days of completion of the travel. <i>If submitted more than 30 working days after completion of travel, no reimbursement will occur.</i>
<input type="checkbox"/> If the total amount on the Voucher <b>exceeds the total</b> estimated, reimbursable amount per Travel Request by 10% or \$25.00, whichever is more, the Voucher needs to be signed by a Vice President or the Controller and needs to include a brief explanation.
<input type="checkbox"/> Reimbursement for travel that is after-the-fact, when <b>no Travel Request</b> has been submitted prior to the trip, will not be accepted
<input type="checkbox"/> For purposes of computing <b>per diem allowances</b> , travel time includes the time required to travel to and from the business destination, excluding the time required to travel from the traveler's principal residence to and from the post of duty. The starting or ending point may be the traveler's residence, if it is closer to the

destination than the post-of-duty.
<input type="checkbox"/> Travelers are required to plan their travel far enough in advance to be able to receive the <b>lowest available airfare</b> while accommodating travel schedules
<input type="checkbox"/> <b>Chartered transportation</b> will be reimbursed in full when there is a financial savings to this method of travel or when there are unique time constraints that favor chartered transportation.
<input type="checkbox"/> Travelers are authorized to <b>rent automobiles</b> when necessary. Collision and comprehensive insurance is no longer provided on rental vehicles through the State of New Mexico Risk Management Division. Travelers must obtain this insurance when contracting for rental vehicles.
<input type="checkbox"/> Use of a <b>personal automobile</b> for official university business will be reimbursed at the standard mileage rate and standard mileage chart (available from Business Office, randmenally.com or yahoo.com) or actual odometer readings with exceptions. Personal automobiles mileage may not exceed cost of coach airfare.
<input type="checkbox"/> Mileage on <b>University vehicles</b> is not reimbursable.
<input type="checkbox"/> Travelers are encouraged to <b>pay for their own travel expenses</b> (air, hotel, etc) identified on the Travel Request Form and request reimbursement after the travel has been completed. Original receipts must be attached.
<input type="checkbox"/> Individuals traveling on <b>University business</b> may request a travel advance for \$20.00 or more using the Travel Request Form. Advances are calculated up to 80% of the estimated reimbursable expenses (see Sec #07, p. 5).
<input type="checkbox"/> Travelers may be reimbursed by either <b>actual out-of-pocket</b> expenses for lodging and meals or by a standard <b>per diem amount</b> , but is subject to limitations (see Sec#07, page 4).
<input type="checkbox"/> <b>Other necessary business expenses</b> , such as ground transportation, parking, business telephone calls, and registration fees, that can be documented as costs directly incurred as a result of the business travel, will be reimbursed when itemized and explained on the Voucher, subject to approval.
<input type="checkbox"/> To <b>cancel travel requests</b> send an e-mail memo to the Business Office, indicate the name of the traveler, date of travel, destination, department, reason for cancellation (see Sec #07, page 6).
<input type="checkbox"/> All <b>appeals</b> need to be submitted in writing to the President or a Vice President first, then to the Controller for consideration.
<b>Section #08: Bids and Proposals</b>
<input type="checkbox"/> Up to \$20,000, buyer places a direct PO to vendor/contractor based on best obtainable price for one-time purchase.
<input type="checkbox"/> From 20,001 to \$60,000, three verbal (use Telephone Quote Sheet) or written quotes, unadvertised bids or competitive pricing in past 6 months.
<input type="checkbox"/> Over \$60,000 or any public works projects, advertised, written and sealed bids required. An Invitation for Bid (IFB) is required.
<b>Section #9: Purchase Requisition (PR)</b>
<input type="checkbox"/> Used for <b>on-campus and off-campus purchases</b> . Instructions for completing a PO is provided in the User Guide.
<input type="checkbox"/> <b>All purchases</b> require preapproval prior to submission (dollar requisitions must be approved by VPs for Academic Affairs and Finance & Administration; for Promotional Advertising the Office of University Relations, for Computer Hardware and Software the IT and VP for Finance & Administration, for Legal services the President &/or VP for Finance and Administration; and Fire/Alarm Systems and Facility Modifications the Fm Director & VP for Finance & Administration or designee.
<b>Section #10: Purchase Orders (for off campus payments for goods or services)</b>
<input type="checkbox"/> <b>Regular PO</b> for a one-time purchase.
<input type="checkbox"/> <b>Blanket PO</b> for multiple shipments, invoices and payments to vendors on prearranged delivery schedules.
<input type="checkbox"/> <b>Open PO</b> for multiple invoices and payments (e.g., purchases of broad groups of items and pricing based on a discount from list price).
<input type="checkbox"/> <b>Small PO</b> for orders under \$500 for a one-time purchase of multiple small value items (picked up by buying dept).
<b>Section #11: Modifying or Cancelling Purchase Orders</b>
<input type="checkbox"/> For <b>changes to a PO</b> , complete and submit a Purchase Requisition (PR) form with required approvals.
<b>Section #12: Brand Name or Equal Specifications</b>
<input type="checkbox"/> A " <b>Brand-Name or Equal Specification</b> " may be utilized if along with the brand-name, a <u>description of the standard of quality, performance and essential characteristics</u> is included on the Purchase Requisition
<b>Section #13: Sole Source/Sole Brand Justification</b>
<input type="checkbox"/> A <b>Sole Source/Sole Brand Justification Form</b> along with a Purchase Requisition must be completed when a required item or service is available from only one source or due to the nature of the requirement only a single brand

name product meets project need.
<input type="checkbox"/> A requester's signature only for <b>up to \$2,000</b> . A requester and Department head signature required for <b>over \$2,500</b> .
<b>Section #14: Receiving Good and Services</b>
<input type="checkbox"/> All goods must be <b>delivered to and processed</b> at NMHU's Central Receiving Department
<input type="checkbox"/> Goods are delivered to the proper Department and the Department has 5 days to inspect the items and sign the <b>Acceptance or NonAcceptance portion of the Receiving Report</b> that must be returned to Central Receiving.
<input type="checkbox"/> If the <b>Department picks up the goods directly</b> from a vendor, Central Receiving must complete a report to authorize the purchase.
<input type="checkbox"/> For <b>services performed (not delivered)</b> , the requesting Department must indicate completion of the service by submitting an invoice from the contractor and a written certification of completion by the requesting department.
<b>Section #15: Gross Receipts Tax</b>
<input type="checkbox"/> NMHU is <b>exempt</b> , as a State agency, from paying gross receipts tax on the purchase of tangible personal property.
<input type="checkbox"/> Goods purchased from <b>out of state vendors</b> via mail or over the phone are considered "interstate commerce" and are non-taxable. If the out of state vendor maintains an office in NM or has a sales representative which visits NM, the sales are taxable unless the Purchasing Department has issued a tax exempt certificate to the vendor.
<input type="checkbox"/> The Purchasing Department will, upon request, provide the vendor with a <b>tax-exempt certificate</b> .
<input type="checkbox"/> NMHU is required to <b>pay tax</b> on all services, hotel charges, freight charges, etc.
<input type="checkbox"/> NMHU will <b>reimburse employees</b> for tax paid on restaurant charges.
<input type="checkbox"/> The tax rate may include <b>local tax</b> . The applicable tax rate is the rate at the vendor's primary location, except for construction, which uses the rate applicable to the construction site.
<b>Section #16: Property Management and Control</b>
<input type="checkbox"/> NMHU manages acquired property (moveable items costing \$1000 or more with a useful life of more than one year such a equipment and property) according to <b>State and Federal regulations</b> .
<input type="checkbox"/> <b>Departments</b> are responsible for proper use, maintenance, inventory, security and disposition of assigned property.
<input type="checkbox"/> All purchases involving <b>Federal funds</b> must comply with guidelines of the individual contract or grant and be approved b the <b>University Contract and Grant Accounting Office</b> or Controller's Office
<input type="checkbox"/> All <b>gifts of equipment</b> to NMHU valued at \$1000 or more at the time of donation must be reported to Central Receiving Department.
<input type="checkbox"/> Central Receiving Department maintains the <b>University Inventory System</b> on items of property valued at \$1000 or more and conducts a physical inventory of these properties annually.
<input type="checkbox"/> When an item of property is <b>no longer useful</b> to a Department, it may be transferred to another Department or traded in on new equipment by notifying the Purchasing Department, or disposed of by the Central Receiving Department.
<input type="checkbox"/> All <b>computers to be disposed, transferred, traded or cannibalized</b> must have all data eradicated and certified by the Computer Network Services Group.
<b>Section #17: Department Signature Authorization</b>
<input type="checkbox"/> The <b>Signature Authorization Form</b> must be completed by all account supervisors. The form will be used by the Business Office to verify signatures on paperwork pertaining to release of University funds.