

Purchasing Process Policy and Procedures Policy Number: 3401

PURPOSE:

Establish a policy and procedures for the procurement process for all goods and services for Liberty University and related subsidiaries.

SCOPE:

This policy and procedures document applies to Liberty University and its subsidiaries.

POLICY:

All financial commitment or obligations related to Liberty University or its subsidiaries must be executed through the procurement process in compliance with the policies and procedures issued by the Director of Purchasing. Failure to comply with this and related policies may result in disciplinary action, including termination.

Purchases \$2,500 or less

Purchases equal to or less than \$2,500 per item, excluding items specifically prohibited, are to be made using the Liberty University Purchasing Card as per the Liberty University Purchasing Card Policies and Procedures.

Purchases greater than \$2,500

Items in excess of \$2,500, or those prohibited from use on a Purchasing Card, must be obtained through the Banner procurement process.

RESPONSIBILITY:

Vice President for Finance has primary responsibility for administering this policy. The Vice President for Finance has delegated the competitive procurement of supplies, equipment, and services necessary for the operation of the University to the Purchasing Department.

Director of Purchasing is responsible for the day to day administration of this policy, establishing and maintaining University procedures associated with procurement functions, and providing training for all procurement personnel.

Buyers provide the business skills, and when necessary coordinate appropriate technical skills, required to purchase all goods, supplies, equipment, and services essential for the continuous operation of the University. Within the parameters designated by the Director of Purchasing, the Buyers will:

- communicate with suppliers in matters of price, quality and delivery at both the quotation stage and ordering stage of procurement;
- identify alternative sources of supply through regular commodity reviews;
- negotiate with suppliers;
- communicate with major organizational users to stay current with planned needs;
- help organizations develop specifications for the required product services; and
- provide acceptable terms and conditions for procurement.

Division Leaders are responsible for ensuring compliance within their organizations concerning all aspects of this policy.

PROCEDURES:

Banner Procurement

Individuals needing access to originate procurement requests must successfully complete the Banner INB training provided through Financial Planning & Budgeting. These classes are available through the Professional Development Portal on the Liberty University website: <https://www.liberty.edu/index.cfm?PID=7136>.

- Each requisition/encumbrance must include:
 - Originator's organization number
 - Originator's name, phone number, and e-mail address
 - Need by date
 - Item description, quantity, and cost
 - Correct FOAPAL codes
- Optional requisition information may include:
 - Suggested vendor and contact information (contact information is strongly recommended; do not use vendor IDs on encumbrances)
 - Detailed description and specifications of items to be purchased
 - Suggested vendor's item numbers
 - Quote number
- A written or e-mailed quote, if available, must be supplied to the Purchasing Department at purchasing@liberty.edu, or by fax at (434) 522-0424.

- At the discretion of the Director of Purchasing, formal bids from multiple competing suppliers may be required for any requisition in excess of \$10,000.
- Once submitted, each requisition/encumbrance must be authorized by the organizational approval chain. At a minimum, this approval chain includes the budget manager and division leader.
- Completion Process:
 - PURCHASE ORDER: After final approvals on requisitions have been obtained, the Purchasing Department will review all requisitions for completion and compliance. Once the Purchasing Department is satisfied with the purchase request, they will issue a purchase order to the vendor that provides the greatest combination of value and service to the University.
 - CHECK PAYMENT: Once all approvals have been obtained, encumbrances and purchase orders are retained in Banner. The Accounts Payable Department will process a Banner invoice against encumbrances and purchase orders once a vendor invoice or Request for Check form has been provided. Completed Request for Check Forms must be submitted to the Accounts Payable Department via email (acctspay@liberty.edu) at least three days prior to the need-by date. This form is available for download from the Accounting website at <http://www.liberty.edu/financeadmin/accounting/index.cfm?PID=3683>

Purchasing Card

Any purchases made with a Liberty University Purchasing Card must be made in accordance with the policies and procedures stated the Liberty University Purchasing Card Policies and Procedures found at <http://www.liberty.edu/index.cfm?PID=11608>.