



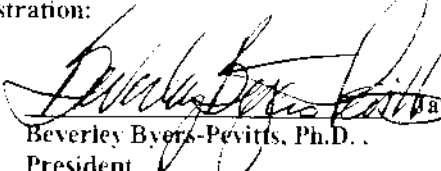
Park University
Purchasing Policy

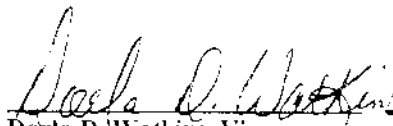


PARK
UNIVERSITY™

Approvals

This document in its initial form has received the following review and approvals from University administration:


January 10, 2007
Beverley Byers-Pevitts, Ph.D.,
President


January 10, 2007
Dorla D. Watkins, Vice
President for Finance and
Administration


January 10, 2007
Roger W. Hershey, Vice
President & General Counsel



Table of Contents

		Page
1.0	Mission Statement	1
2.0	Function of Office	1
3.0	Purchasing Department Philosophy	2
4.0	Principles and Standards of Purchasing Practice	2
5.0	National Association of Education Buyers Code of Ethics	3
6.0	Statement of Purchase and Objectives	3
7.0	Administration and Interpretation	4
8.0	Purchasing Law	4
8.1	General	4
8.2	Personal Liability	4
9.0	Vendor Policy	5
9.1	Vendors	5
9.2	Vendor's Obligations	5
10.0	Vendor Relations	5
11.0	Confidentiality	6
12.0	Bids and Quotations	6
12.1	Bids	6
12.2	Quotations	6
13.0	Required Authorizations (Purchase Order Requisitions)	6
14.0	Business Procurement Card	7
14.1	Table of Contents	7
14.2	Overview	7
14.3	How to Obtain a Business Procurement Card	8
14.4	Cancellation of a Business Procurement Card	8
14.5	Disciplinary Actions	9
14.6	How to Report a Stolen Card	9
14.7	Business Procurement Card Security	9
14.8	Travel Request	9
14.9	Business Procurement Card Cardholder Responsibilities	10
14.10	Record Keeping and Documentation	10
14.11	Reconciliation and Approval Process	10
14.12	Business Procurement Card Supervisor Responsibilities	11
14.13	Billing Payment and Account Distribution Process	11
14.14	Resolving Errors, Disputes, Returns and Credits	12
14.15	Policy for Approved Business Expenses	13
14.16	Alcoholic Beverages	13
14.17	Non-Allowable Expenses	13
14.18	Mileage	14
14.19	Business Procurement Cardholder Agreement	14
15.0	Financial Responsibility	15
16.0	Contracts	16
17.0	Contract Negotiations	16
18.0	Contracts Accompanied by Purchase Order	16
19.0	Requisition to Purchase	17
20.0	Purchase Orders	17
21.0	Bill Payment	17



22.0	Check Requests (Departmental check request eForms)	17
23.0	Sales Tax	18
24.0	Credit Cards	18
25.0	Receiving	19
26.0	Product Endorsements	19
27.0	Food Service	19
28.0	Office Supplies	19
29.0	Computer: Hardware and Software	19
30.0	Office Furniture	19
31.0	Business Cards	19
32.0	Name Badges	19
33.0	Purchasing by Employees	19
34.0	Purchases from Employees	19
35.0	Work on University Premises	20



1.0 **Mission Statement.**

1.1 The Park University (“University”) Purchasing Services Department (the “Department”) will work with all University departments to assist them in obtaining goods and services, which will balance quality, cost and delivery, for the benefit of the University.

2.0 **Function of the Park University Purchasing Department (“Department”).**

2.1 The Department will:

2.1.1 Assist in screening, selecting and approving vendors.

2.1.2 Establish and maintain an approved vendor list with tax identification numbers to be used on 1099s.

2.1.3 Oversee bid processes:

2.1.4 Review purchase requisitions for budget control

2.1.5 Issue purchase orders

2.1.6 Execute approved change orders to existing purchase orders

2.1.7 Cancel previously issued purchase orders as needed

2.1.8 Release unused encumbered sums

2.1.9 Assist departments with the returns of tangible personal property

2.1.10 Establish and maintain a receiving program for the Parkville Campus Center

2.1.11 Negotiate contracts for goods and services with vendors

2.1.12 Process check requests

2.1.13 Process and manage the University’s Business Procurement Card program

2.1.14 Process University business card requests

2.1.15 Process University name tag request

2.1.16 Provide support assistance to University departments/employees and vendors.



3.0 **Purchasing Department Philosophy.**

3.1 The underlying philosophy of the Department is based on the:

3.1.1 National Association of Purchasing Managers Principles and Standards of Purchasing Practice

and

3.1.2 National Association of Education Buyers Code of Ethics

4.0 **Principles and Standards of Purchasing Practice.**

4.1 *The following National Association of Purchasing Managers (NAPM) Principles and Standards of Purchasing Practice are made a part of this Policy.*

Principles: Loyalty to your organization; justice to those with whom you deal; faith in your profession.

From these principles are derived the NAPM standards of purchasing practices

4.1.1 Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications.

4.1.2 Demonstrate loyalty to the University by diligently following the lawful instructions of the employer, using reasonable care and only authority granted.

4.1.3 Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of the University.

4.1.4 Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, favor, or services from present or potential suppliers that might influence, or appear to influence, purchasing decisions.

4.1.5 Handle confidential or proprietary information belonging to University or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations.

4.1.6 Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle.

4.1.7 Refrain from reciprocal agreements that restrain competition.

4.1.8 Know and obey the letter and spirit of laws governing the purchasing decisions.

4.1.9 Encourage all segments of society to participate by demonstrating support for small, disadvantaged, and minority-owned businesses.

4.1.10 Discourage the Department's involvement in employer-sponsored programs of personal purchases that are not business related.



- 4.1.11 Enhance the proficiency and stature of the purchasing profession by acquiring and maintaining current technical knowledge and the highest standards of ethical behavior.
- 4.1.12 Conduct international purchasing in accordance with the laws, customs, and practices of foreign countries, consistent with United States laws, your organization policies, and these Ethical Standards and Guidelines.

5.0 **National Association of Education Buyers Code of Ethics.**

- 5.1 Give first consideration to the objectives and policies of my institution.
- 5.2 Strive to obtain the maximum value for each dollar expenditure.
- 5.3 Decline personal gifts or gratuities.
- 5.4 Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
- 5.5 Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
- 5.6 Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- 5.7 Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purpose.
- 5.8 Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
- 5.9 Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- 5.10 Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
- 5.11 Foster fair, ethical and legal trade practices.
- 5.12 Counsel and cooperate with NAEB members and promote a spirit of unity and a keen interest in professional growth among them.

Approved NAEB

6.0 **Statement of Purpose and Objectives.**

- 6.1 This purchasing policy endeavors to insure that University employees adhere to the University's standard purchasing practices and all requirements imposed by federal, state, and local laws.



- 6.2 The primary responsibility of the Department is to assist in the purchase of goods and services at the proper time, in the proper place, in the quantity, quality, and price consistent with the University's needs.
- 6.3 Achieving these primary objectives, including the responsibility, authorities, and guidelines set forth in this policy, and related policies and procedures, is the responsibility of all employees.

7.0 **Administration and Interpretation.**

- 7.1 This policy and the procedures outlined are administered by the Office of The Vice President of Finance and Administration and the Office of the Director of Business and Institutional Services. Questions regarding the Policy should be directed to those offices.

8.0 **Purchasing Law.**

8.1 **General**

- 8.1.1 University buyers ("Buyer(s)") should have sufficient knowledge of the law to understand the Buyer's authority, and the legal consequences of the actions taken in the University's name.
- 8.1.2 Acts of purchasing agents, Buyers, and other authorized personnel are binding upon the University, within the limits of their authority. However, they may also bind the University when they exceed their actual authority.

8.2 **Personal Liability**

- 8.2.1 Buyers represent the University in buying transactions and are governed by the law of agency. As an agent of the University, Buyer has such "express authority" as is granted by the University.
- 8.2.2 In transactions and dealings outside the University, a Buyer is also considered to have the "apparent authority" that is ordinarily vested in buying personnel. Within this "apparent authority" Buyer's acts will bind the University even if Buyer exceeds or violates the actual authority granted.
- 8.2.3 So long as a Buyer acts within a Buyer's scope of "express authority" and is neither negligent, dishonest, nor acting in bad faith, a Buyer will not become personally liable for such actions. Personal liability may occur, however, if a Buyer exceeds the scope of the Buyer's authority. A Buyer is always liable for tortuous acts, such as assault and battery.
- 8.2.4 To protect against personal liability, the a Buyer must avoid the following:
 - 8.2.4.1. making a false statement about the Buyer's authority.
 - 8.2.4.2. making any false statement with an intent to deceive;
 - 8.2.4.3. taking any action without authority that could result in damages to another;
 - 8.2.4.4. performing an illegal act, even with the authorization of the University;



8.2.4.5. performing any damaging act outside a Buyer's scope of authority.

9.0 **Vendor Policy.**

9.1 **Vendors**

9.1.1 Definition: A "Vendor" is an outside third party that sells goods or services to the University community.

9.1.2 The University maintains and uses a list of approved Vendors that is maintained by the Department.

9.2 **Vendor's Obligations**

9.2.1 Vendors must direct all written and personal communications with the University to the Department unless instructed by the Department, for technical reasons, to do otherwise; in which case the Vendor must send copies of all correspondence to the Department and keep the Department informed of any oral communications.

9.2.2 Vendor must negotiate purchasing contracts and sales only with the Department.

9.2.3 Vendors must conduct negotiations ethically, without attempts to influence the Department by offering valuable personal gifts or entertainment.

9.2.4 Vendors must make available through the Department or other designated University representatives all available technical, engineering, systems, policies, services, which might improve the Vendor's present or future use of supplier's products and services.

10.0 **Vendor Relations.**

10.1 It is University policy to maintain and practice the highest possible standards of business ethics, professional courtesy, and competence in all dealings. At all times, all laws must be scrupulously observed.

10.2 When dealing with Vendors and their representatives University employees are expected to:

10.2.1 Accord prompt, fair and equal treatment, to all Vendors and their representatives.

10.2.2 Provide equal opportunity for all Vendors to make price and specifications quotations.

10.2.3 Assure the confidentiality of all specifications and price quotations made by Vendors.

10.2.4 Decline to take advantage of Vendor's errors and show consideration for Vendor's by cooperation whenever possible.

10.2.5 Avoid putting Vendors to unnecessary expense or inconvenience on returned goods.

10.2.6 Explain as clearly and fully as possible to Vendors the reason for rejection of their bids/proposals.

10.2.7 Do not assume any personal obligations to any Vendor.



- 10.2.8 Keep informed about sources of supply, methods, services, and materials, and encourage their testing.
- 10.2.9 If one Vendor is permitted to requote, then all other Vendors who have bid will be given the same opportunity. Requoting should be restricted to an absolute minimum.

11.0 **Confidentiality.**

- 11.1 Most of University transactions are confidential, especially with regard to the University's vendors. University employees will seek to assure that proprietary information about one Vendor's quotation will not be communicated to another Vendor.
- 11.2 Communication of pricing, technologic or strategic information by a University employee to an employee of a Vendor is unethical and may be a violation of the antitrust laws and should be scrupulously avoided.

12.0 **Bids and Quotations.**

12.1 **Bids**

- 12.1.1. Definition – a "Bid" is a document solicited from a group of approved Vendors stating quantity, price, delivery, and any other information necessary to the procurement of the goods and/or services that the University seeks to obtain. Bids are used by the University to either procure the good or service at a reasonable cost and/or to lock in firm pricing for a certain period of time. Bids will be solicited by the University from two or more approved Vendors.

12.2 **Quotations**

- 12.2.1 Definition – a "Quotation" is an informal request from one approved Vendor to obtain pricing information.
- 12.2.2 Quotations are usually solicited for items such as furniture, fixtures, etc. to obtain current pricing. Quotations are used to make budget decisions. Price, quantity, and delivery are usually listed on the quotation. A quotation is usually valid for 30 days.

13.0 **Required Authorizations.**

13.1 **Purchase Order Requisitions**

- 13.1.1 Requisitions over \$100 but less than \$500 require Departmental approval.
- 13.1.2 Requisitions over \$500 but less than \$10,000 require Departmental approval and area vice-president approval and may require bidding.
- 13.1.3 Requisitions over \$10,000 are subject to bid and require Departmental approval, area vice-president approval and presidential approval or approval by the executive staff.



14.0 **Business Procurement Card**

14.1 Table of Contents

- 14.1.2 Overview
- 14.1.3 Cardholder Credit Rating
- 14.1.4 How to Obtain a Business Procurement Card
- 14.1.5 Business Procurement Card Cardholder Responsibilities
- 14.1.6 Business Procurement Card Supervisor Responsibilities
- 14.1.7 Billing Payment and Account Distribution Process
- 14.1.8 Resolving Errors, Disputes, Returns and Credits

14.2 Overview

- 14.2.1 The University Business Procurement Card (BPC) program ("BPC Program") delegates to the holder ("BPC Holder") of a BPC the authority and capability of purchasing directly to designated BPC Holders, allowing them to purchase items quickly and easily. The BPC Program is to be used to purchase items within the BPC Holders approved dollar limit. The BPC Program does not supercede the existing Park University Purchase Order Policy.
- 14.2.2 It is not necessary for a BPC Holder to create a purchase requisition prior to purchasing items within the BPC Holder's limit.
- 14.2.3 The BPC may also be used for approved travel expenses.
- 14.2.4 On a daily basis the BPC Holder's appropriate budget line item will be charged for each purchase made utilizing the BPC. BPC payments will be processed by the Park University Accounts Payable Department.
- 14.2.5 Record keeping is essential to ensure the success of the BPC Program. Standard payment policies require retention of receipts and other documentation and the maintenance by each BPC Holder of an individual BPC purchase log ("Purchase Log"). All sales slips, cash register receipts, invoices, etc. must be attached to a Purchase Log and mailed on the fourth (4th) work day of each month to the BPC Administrator: Assistant Director of Purchasing, Park University PMB 50, 8700 NW River Park Drive, Parkville, MO 64152.
- 14.2.6 Purchases must be solely for the use and benefit of the University. BPC Holder may make no personal purchases on that BPC Holder's BPC.
- 14.2.7 Merchants are paid by UMB Bank within three days after a BPC transaction. The BPC Holder must tell merchants that they *must not* invoice Park University. Each BPC Holder must obtain from Vendors a detailed description of the goods, not just "misc.," and must *remind the Vendor of Park University's sales tax exempt status when making a purchase.* The federal identification number of the University is 44-0562048 and is embossed on the face of the BPC. In individual states where Park University is sales tax exempt the BPC Holder will need to provide copies of the state exemption certificate.
- 14.2.8 The BPC Holder is responsible for the security of this BPC and the transactions made utilizing it. The BPC is issued in the name of an individual University employee and any purchases made against the card are the responsibility of the BPC Holder. Any use of the



BPC in violation of this or other applicable University policies may result in personal liability.

14.2.9 The BPC Holder is spending University funds each time the BPC is used. *This is a responsibility that cannot be taken lightly.*

The following items may NOT be purchased with the BPC. However, the list is not all inclusive.

Alcohol beverages	Items for which payment is made by purchase order
Business cards	Leases
Capital purchases	Personal items
Cash advances	Printing
Construction, renovation or installation	Furniture
Telephones and related equipment	Weapons, ammunition
Hazardous Materials	Memberships

14.2.10 Cardholder Credit Rating. The use of the BPC results in the creation of a liability of the University, not a personal liability of the BPC Holder. The BPC Holder's personal credit rating will not be affected. Each BPC Holder must sign an agreement ("BPC Agreement") prior to issuance of the BPC and the BPC Holder is personally responsible for any violations of this or any other applicable University policy.

14.3 How To Obtain A Business Procurement Card

14.3.1 Each University employee will complete and sign the BPC Agreement, (See Section 14.19 below), obtain all necessary approvals and mail the agreement to the BPC

Administrator: Assistant Director of Purchasing
Park University PMB 50
8700 NW River Park Drive
Parkville, MO 64152

14.3.2 If the BPC application is approved the University will mail the BPC to the applicant, with a statement of spending limits. Upon receipt of the card, the BPC Holder must immediately sign the back. To activate the BPC please follow instructions on the green sticker on face of card.

14.3.3 Although the BPC is issued in the name of an employee, it is the property of the University and is only to be used for University purchases as described in this Policy.

14.4 Cancellation of a BPC

To cancel a BPC, cut the card in half and mail or deliver both halves to the BPC Administrator with a written request to cancel the BPC. If a BPC is to be cancelled for any reason the BPC Administrator should be notified immediately. If a BPC Holder leaves University employment for any reason the BPC Holder must turn in the BPC to their immediate supervisor or the University Human Resources office, who will forward the card onto the BPC Administrator.



14.5 Disciplinary Actions

The University has the right to revoke and cancel BPCs for failure to comply with this and any other applicable University policy. The University has the right to evaluate the seriousness of any violation and may allow the BPC Holder to provide explanation regarding a BPC transaction, which may be used as the determining factor to whether BPC privileges will continue or not. The University has the right to exercise appropriate action as deemed necessary.

14.5.1 Cause to Suspend or Cancel Purchasing Cards

14.5.2 BPC may be suspended or cancelled if any of the following occur:

14.5.2.1 Fraud or personal use

14.5.2.2 A pattern of violation of Park University Business Procurement Card policies is documented, such as:

14.5.2.2.1 Noncompliance with University Purchasing policies and procedures

14.5.2.2.2 Delinquent Statements

14.5.2.2.3 Incomplete Statements/documentation

14.5.2.2.4 Misuse of University funds

14.5.2.2.5 Unauthorized expenses or use of the BPC

14.5.2.2.6 Travel violations

14.6 How to Report a Stolen Card

14.6.1 If a BPC is lost or stolen, the BPC Holder or any other University employee with knowledge of the theft must immediately notify UMB Bank security at 1-800-821-5184 and the BPC Administrator at 816-584- 6847, or e-mail: donna.gifford@park.edu.

14.7 BPC Security

14.7.1 Only the BPC Holder may use the card issued to that BPC Holder. BPCs and BPC numbers must be guarded to prohibit their use by unauthorized individuals.

14.8 Travel Request

14.8.1 A BPC Holder who wishes to utilize the BPC to pay for authorized University travel must submit a request accompanied by the BPC Holder's supervisor's approval. Once approved by the supervisor, the BPC's individual limit, if required, will be increased to the approved travel. Once the travel advance is approved by the supervisor, the supervisor must email the BPC Administrator at least 48 hours in advance of the travel, at donna.gifford@park.edu requesting the increase. The requesting email must indicate the amount by which the BPC limit is to be increased and for what period of time the increase should be in effect. The limit on the BPC of the travel of BPC Holder will revert to the original limit upon completion of the travel.



14.9 Business Procurement Card Cardholder Responsibilities

14.9.1 Receipt of Goods and Materials

14.9.1.1 The BPC Holder is responsible for ensuring that the University receives the goods and materials purchased by the BPC Holder and must follow-up with the vendor to resolve delivery problems, discrepancies and damaged goods.

14.9.1.2 For telephone or catalog orders, the BPC Holder must provide to the Vendor complete official business shipping address and instructions are given along with the BPC Holder's name, department name, telephone number with areas code, complete street address, room number, city, state, zip code).

14.9.1.3 If goods or materials are ordered by phone, the BPC Holder must ask the vendor to include a detailed sales receipt in the package and explain that the University is a sales tax exempt organization. The BPC Holder must save the credit card receipt and shipping documentation.

14.10 Record Keeping and Documentation

14.10.1 To facilitate the reconciliation and approval process, the BPC Holder is responsible for keeping all credit card slips, cash register receipts, packing slips, etc.

14.10.2 The BPC Holder must also maintain a transaction log (see attached) for each purchase. The BPC Holder must log all pertinent BPC purchase data on a daily basis.

14.11 Reconciliation and Approval Process

14.11.1 Sales receipts and BPC transaction logs must be kept together and forwarded to the BPC Administrator, Park University PMB 50, 8700 NW River Park Drive, Parkville, MO 64152 on the fourth (4th) work day of each month. All BPC transaction logs must be approved by signature of the BPC Holder's supervisor. Failure to comply with these requirements will result in the loss of the BPC.

14.11.2 To obtain a copy of a charge or credit slip, the BPC Holder may call the UMB Commercial Cards Product Group at 1-800-821-5184. There will be a \$2.00 charge for each copy which will be billed to the BPC of the requesting BPC Holder.

14.11.3 A statement will be sent to each BPC Holder monthly to reconcile to the transaction log. The BPC Holder is not to process payment from this statement. The Accounts Payable Department will prepare the monthly payment document utilizing the information provided by the BPC Holder on the BPC Holder's transaction log.



14.12 Business Procurement Card Supervisor Responsibilities

14.12.1 General

- 14.12.1.1 Supervisors determine which University employees are eligible for a card.
- 14.12.1.2 It is each supervisor's responsibility to review all BPC Holder's monthly transaction logs and approve them before submission to the BPC Administrator. Each supervisor must also make sure that the BPC Holder is using the BPC in the best interest of the University.
- 14.12.1.3 A potential BPC Holder is sent the BPC Policies and Procedure Manual and the BPC Agreement.
- 14.12.1.4 Each supervisor must sign the BPC Agreement of each University employee that reports to that supervisor, copy attached, identifying the cardholder. Once approved, a supervisor is to send the original two page agreement only to the BPC Administrator who will initiate the card issuing process with UMB Bank.
- 14.12.1.5 If a University employee leaves the department or assumes different duties that do not require the use of the BPC, that employee's supervisor is responsible for retrieving and cutting up the BPC and sending it to the BPC Administrator. If a BPC Holder transfers to another University department, the BPC does not transfer to the new department. The new supervisor must initiate the process to obtain a new card for the BPC Holder.

14.12.2 Record Keeping and Documentation

- 14.12.2.1 Each BPC Holder must collect the following documents: credit slips, charge slips, packing slips, or cash register slips. Each BPC Holder must maintain a record of the use of the BPC ("Transaction Log") maintained and it must be signed by the immediate supervisor of the BPC Holder. Failure to comply with these requirements may result in the loss of BPC privileges.

14.13 Billing Payment And Account Distribution Process

14.13.1 General

- 14.13.1.1 The BPC statement closing date is the third working day of each month.

14.13.2 Paying the Bank

- 14.13.2.1 When the BPC Holder receives the BPC Holder's monthly bank statement the BPC Holder must immediately reconcile the statement to the BPC Holder's Transaction Log. If a receipt is missing, the BPC Holder must immediately contact the Vendor and ask for a copy of a detailed receipt, credit memo, or an adequate substitute. If the Vendor can only FAX a copy, the BPC Holder must certify and sign it as valid and to be the only copy the BPC Holder received. The BPC Holder must verify again for sales tax on each purchase



and request a credit, if needed and check state contract items and verify that shipping charges were handled according to the contract.

- 14.13.3 Once the statement has supporting documentation **for each entry on the statement**, the BPC Holder must prepare a summary BPC Transaction Log that is typed (printed). As long as the attached invoice, packing slip or other payment document is detailed, the items purchased may be described in general terms. If tax has been charged, it must be entered on a separate line on the log. If a detailed invoice cannot be obtained, a detailed itemization of the charges must be attached, backed up with something from the Vendor showing the charge amount. The detailed itemization can be on the BPC Transaction Log.
- 14.13.4 The summary BPC Transaction Log must be signed by the BPC Holder and approved and signed by the BPC Holder's supervisor.
- 14.13.5 Each BPC Holder must make a copy of the summary log and each invoice for the records of the BPC Holder. Each BPC Holder must attach the **original** receipt(s) in the order listed on the statement and send, on the fourth (4th) working day of each month, to the BPC Administrator, Park University PMB 50, 8700 NW River Park Drive, Parkville, MO 64152.

14.14 Resolving Errors, Disputes, Returns And Credits

- 14.14.1 Each BPC Holder is responsible for contacting and following up with the vendor on any erroneous charges, disputed items or returns as soon as possible. (Most issues can be resolved this way).
- 14.14.2 If the BPC Holder is unable to reach agreement with the vendor, the next step is to contact the BPC Administrator.
- 14.14.3 The BPC Administrator may request the cardholder to complete a Vendor Dispute Form and fax or mail the completed form to the BPC Administrator.
- 14.14.4 UMB Bank must be notified of any disputed items within 60 days of the last cycle in which the item was purchased. The cycle closes on the last business day of each month.
- 14.14.5 Disputed billing can result from failure to receive goods or materials, fraud or misuse, altered charges, defective merchandise, incorrect amounts, duplicate charges, credits not processed, etc. In the event of fraud or the suspicion of fraud or other wrongdoing, the BPC Administrator is to be notified immediately.
- 14.14.6 Documentation should be kept explaining each credit received for returns or exchanges.



14.15. Policy For Approved Business Expenses:

14.15.1 Business Meals

- 14.15.1.1 A “Business Meal” is defined as a meeting, including at least one non-university employee, which is held during meal time where the main purpose of the meeting is to transact University business and a meal is served.
- 14.15.1.2 The University per diem payment is \$47.00. All expenditures must be covered by receipts and all unused per diem funds that have been advanced to an employee must be returned to the University.
- 14.15.1.3 Meals eaten between two or more employees, without a clear business purpose, which ordinarily could be conducted during normal work hours, are not reimbursable by the University. The costs of such meals are the responsibility of the employees.
- 14.15.1.4 Personal meals of University employees during same day travel are not reimbursable. IRS regulations require that an employee be away from home substantially longer than an ordinary days work and require an overnight stay.

14.16. Alcoholic Beverages

- 14.16.1 University employees are expected to act responsibly when consuming alcohol while on University business. The cost of a beverage with dinner, while entertaining a non-university employee during the course of university business will be reimbursed as a part of the meal expense. Drinks that are not associated with meal or drinks at a bar are not reimbursable.

14.17. Non-Allowable Expenses

- 14.17.1 Snack and refreshments are not an allowed reimbursable travel expense except as a substitute for a daily meal.
- 14.17.2 Meal cost, when meals including a continental breakfast, are provided through a conference registration fee, are not reimbursable.
- 14.17.3 Fines for parking or moving violations
- 14.17.4 Personal entertainment, such as movies, golf, personal reading materials
- 14.17.5 Laundry service (if trip is less than five days)
- 14.17.6 Personal expense such as haircuts, toiletries, clothing, gifts, non-official entertainment, etc.
- 14.17.7 Mini-bar items



14.18. Mileage

- 14.18.1 Mileage will be reimbursed when the Departure and Termination of an employee's trip on University business is the employee's actual place of employment.
- 14.18.2 Mileage will not be reimbursed from the point of or to the point of the employee's residence. If traveling to a meeting, from home, without going to the employee's office first, the mileage to and from the employee's home to office must be deducted from the total mileage of the trip.



14.19 Business Procurement Cardholder Agreement

Please Print All Responses	Required: <i>last four (4) digits</i> of your Social Security number. This will be use as a check for activating your card. _____
_____ Name of Cardholder	_____ Cardholder Business Address
_____ Cardholder ID Number	_____ Account Number for Charges
_____ Department Name & Number	_____ Cardholder Business Phone Number
_____ Supervisor's Name & Title	_____ Supervisor's Phone Number

BPC Holder agrees to accept responsibility for the protection and proper use of the BPC in accordance with the terms and conditions below:

1. The BPC Holder agrees to comply with all Park University purchasing policies including the Business Procurement Card Policy and provide the required supporting receipts from the vendor and to maintain a Transaction Log ("BPC Transaction Log"). Failure to report or document any purchase may be deemed an improper use of the BPC.
2. If the BPC is lost or stolen, Cardholder must notify UMB Bank Security at 1-800-821-5124 and the BPC Administrator, Phone 816-584-6487 , FAX 816-746-6423, email: donna.gifford@park.edu.
3. Park University ("University") shall be responsible for all charges, including fees and interest, incurred from the proper use of the BPC.
4. **The BPC Holder May Not Make Personal Purchases On The Card.** The BPC Holder agrees that he/she shall be personally liable for any improper use of the BPC and agrees to pay to the issuer of the BPC such use (such issuer shall be a third party beneficiary under this agreement), other than improper use as the result of a lost or stolen BPC which was immediately reported as required in paragraph 2, including fees and interest assessed against the improper purchase. The BPC Holder agrees that his/her improper use of the BPC may be caused for disciplinary action by the University including termination and that improper use of the BPC may subject BPC Holder to criminal prosecution. The BPC Holder agrees that the University may withhold amounts attributable to improper use by BPC Holder from any paycheck or other University check which may be payable to BPC Holder.
5. The BPC Holder agrees that should his/her employment with the University terminate for any reason, the BPC must be returned to the BPC Administrator. The BPC Holder understands that the University may withhold his/her final paycheck until the BPC is returned. The BPC Holder also agrees that the University in its sole and absolute discretion may withdraw authorization to use the BPC and require the return of the BPC at any time for any reason.



Business Procurement Cardholder Agreement

- 6. The BPC Holder agrees that use of the BPC is for the purchase of commodity and non-inventory capital items subject to individual card limitations on expenditures for use in official University business. All purchases must comply with University accounting and purchasing statues, regulations and policies including all policies the University implements in the use of the BPC. The following items may **not** be purchased or paid for with the BPC, however, the list is not all inclusive.

Alcoholic beverages	Items for which payment is made by Purchase Order
Business Cards	Leases
Capital purchases (subject to inventory)	personal items
Cash advances	Printing
Construction, renovation or installation	Furniture Purchases involving trade-ins
Telephone, related equipment	Weapons, ammunition
Membership	Hazardous Materials

If in doubt that a purchase is authorized under this agreement through the use of the BPC, the BPC Holder must seek prior approval from the BPC Administrator. Such approval presumes the proper use of the BPC.

- 7. The BPC Holder acknowledges by his/her signature to this agreement, that he/she has received training in the proper use of the BPC; has received, read and understands the applicable University Business Procurement Card Policy; and has read and understands this agreement.

Cardholder signature: _____ Date _____

Supervisor's Signature: _____ Date _____

For Park University Administrative Use Only

Cycle Credit Limit: \$500 unless otherwise approved (not to exceed without written authorization)

Approval: Print Name: _____ Title: BPC Administrator

Signature: _____ Date: _____



15.0 **Financial Responsibility.**

- 15.1 Property to which the University takes title or services to be performed for the University must be requested, authorized, received and paid in accordance with stated University policies and procedures.
- 15.2 Commitments for goods or services for which the University is financially responsible must be authorized through University procedures or as defined by other specific policies.
- 15.3 Individuals making unauthorized commitments or purchases in the name of the University may be personally liable for any and all incurred expenses and/or disciplinary action, including but not limited to loss of purchase card privileges.
- 15.4 Goods and services acquired by the University may be financed by lease, loan, bond issue, or purchased in cash. The decision to enter into an agreement to buy goods or services other than cash will be dependent upon which is the most cost effective method for the University. Economic conditions may dictate that the best way for the University to acquire the product is by one of the methods mentioned above. The University reviews these types of purchases on an individual basis. Such reviews will be done by the Vice-President for Finance and Administration to determine what method of financing will be the most cost effective for the University.

16.0 **Contracts.**

- 16.1 Definition – A contract is a legal document that binds the University and vendor to the written terms of the Contract.
- 16.2 Contracts which obligate the University must be signed by at least one of the following individuals:
 - 16.2.1 Chair of the Board of Trustees
 - 16.2.2 President of the University
 - 16.2.3 Provost and Senior Vice President for Academic Affairs
 - 16.2.4 Vice-President for Finance and Administration
 - 16.2.5 Another authorized University officer or employee, as authorized by the President
- 16.3 All contractual documents relating to goods and services must be forwarded to the Accounting Department for final processing, permanent safe keeping, and periodic review.

17.0 **Contract Negotiations.**

- 17.1 The Director of Business and Institutional Services is responsible for ensuring that all contract negotiations for the purchase of goods or services are conducted on behalf of the University by University employees are consistent and within the policy and practices contained in this Policy.
- 17.2 As part of this responsibility, the Director of Business and Institutional Services will develop appropriate checklists to serve participants in the negotiation process. Checklist topics may include basis for award, blanket purchase orders, contracts and agreement, import purchasing, negotiations, specifications, prospective suppliers, terms and conditions, and department requirements.



18.0 **Contracts Accompanied by Purchase Order.**

All contracts that obligate the University must be accompanied by a purchase order before the contract will be reviewed by the Vice President for Finance and Administration.

Applicable Procedures:

- 18.1 A purchase requisition must be written for the total dollar amount of the contract stating “signed contract pending”.
- 18.2 The contract must normally be delivered to the Accounting Department.
- 18.3 A purchase order will be written, attached to the contract, and hand delivered to the Vice President for Finance and Administration.
- 18.4 If the contract is approved, it will be signed and the vendor’s copy of the purchase order will be attached to it.
- 18.5 If the contract is rejected, it will not be signed and the vendor’s copy of the purchase order will be returned to the purchasing department marked “terminate”.

19.0 **Requisition to Purchase.**

- 19.1 Definition – A purchase requisition is a form used to request goods and services for use by the University.

20.0 **Purchase Orders.**

- 20.1 Definition -- A purchase order is a legal document which once executed constitutes a contract between the University and the vendor.
- 20.2 Kinds of Purchase Orders
 - 20.2.1 Standard Purchase Order – one written for specific items and/or services with a one-time delivery.
 - 20.2.2 Open/Blanket/Standing Purchase Order – one written for miscellaneous items with a maximum dollar amount and a time limit not to exceed six months. This is used to purchase repetitive items several times in which writing a purchase order each time would not be time and/or cost effective.

21.0 **Bill Payment.**

All bills will be paid by the University directly from the invoice. The invoice must be accompanied by the pink copy of the purchase order authorizing payment. If there is not a purchase order the invoice must be signed by an authorized employee and must include the account number to be charged. Remember all purchases over \$100.00 require a purchase order – see open purchase orders

Do not attach invoices to a departmental check request.

22.0 **Check Requests.**



- 22.1 Departmental check request eForms are used to initiate the check payment process.
- 22.2 Departmental check eForms are used to pay for goods and services where a purchase order or procurement card is not acceptable or impractical. It can also be used as a pre-pay for items if there is a pre-pay discount with the vendor.
- 22.3 This check eForm is also used to request payment for goods purchased by individuals for the University. The following governs reimbursement of goods purchased:
 - 22.3.1 The reimbursement cannot exceed \$100 without prior approval of the department head and Office of Business and Institutional Services and/or Vice-President for Finance and Administration.
 - 22.3.2 The goods purchased were essential and/or of a unique nature and could not be purchased through current approved channels.
- 22.4 All check requests over \$500.00 require a vice president's electronic signature.
- 22.5 Department check requests are used only for following:
 - Reimbursement (not covered by a trip approval request)
 - Registration fees (only when a purchase card is not accepted)
 - Referee fees (athletic events)
 - USPS (when purchase card is not acceptable)
 - Do not attach invoices to department check requests. See bill payment.
- 22.6 Student check eForms are used to pay student refunds and/or loans.
- 22.7 All requests for checks must be signed by requestor, department head, and any other individuals required by current policies. They are then forwarded to Purchasing for budget review and approval, then sent to Accounting for final approval and issuance of check. No employee may approve their own reimbursement forms nor a check request issued in their name.
- 22.8 All checks, following recommended audit procedures, will be mailed to vendors.

23.0 **Sales Tax.**

The University will not pay sales tax on any goods or services purchased where the University has exempt from payment of those taxes. There are some use taxes the University is required to pay, these will be reimbursed.

24.0 **Credit Cards.**

- 24.1 Definition – A credit card is representation of a line of credit issued to the University by a financial institution.
- 24.2 Credit cards are used by the University to conduct business when purchase orders are unacceptable. The use of personal credit cards is expressly discouraged. The following is a partial list of the types of credit cards currently held by the University and who currently has access to such:
 - 24.2.1 Bank Cards – VISA– Executive staff



- 24.2.2 Gasoline Cards – Conoco –Environmental Service
 - 24.2.3 Department Store Cards – Sears – used only as line of credit for purchase order acceptance. Card is available in the office of Business & Institutional Services.
 - 24.2.4 Office Supply Card – Office Max – Purchasing only. Used only in extreme emergencies. Card is available in the office of Business & Institutional Services.
 - 24.2.5 Business Procurement Card – these cards are issued to various individuals who travel and/or make purchases on behalf of Park University. Failure to comply with the purchasing card guidelines will result in the loss of purchasing card privileges.
 - 24.2.6 Wholesale Card – Sam’s Club – Purchasing only. Card is available in the office of Business & Institutional Services by appointment only.
- 25.0 **Receiving.** Goods delivered to the University by vendors are processed through the Mail Services Department, located in the Mabee Learning Center.
- 26.0 **Product Endorsements.** Requests for approval of a news release or advertisement stating that the University, or any of its operation units or personnel, uses a product made or service offered by another firm shall be referred to the Office of University Advancement. Such a request may be approved, *provided* no endorsement is implied, suggested, or stated, and *further provided* that the release or advertisement does not state or imply that the product or service is used on a University-wide basis, or at any other location not specifically part of the release of advertisement.
- 27.0 **Food Service.** Food service on the Parkville campus is provided through the current food service contractor. The use of any off-campus food provider for special events is permissible with the proper administrative approvals.
- 28.0 **Office Supplies.** All office supplies will be purchased through the primary approved vendor(s) for such supplies. If items are needed in an emergency, Purchasing must clear the request before the purchase.
- 29.0 **Computer: Hardware and Software.** All purchases of computer hardware and software must be approved through Information Technology Services if technical support will be requested from this department. Any and all computers, peripherals, and software not cleared through Information Technology Services will not be serviced by that department and will be in conflict with University policy.
- 30.0 **Office Furniture.** All office furniture must be purchased through the current approved vendor and purchase order approval process and is required to fall within the range of specifications given. A catalog showing types, styles, and specifications is available in the Office of Business & Institutional Services.
- 31.0 **Business Cards.** Requests for business cards are to be sent, via the business card eForm, to the Assistant Director of Purchasing Services, with approved account number and supervisor signature for processing.
- 32.0 **Name Badges.** Requests for name badges are to be e-mailed to the Assistant Director of Purchasing Services, with approved account number for processing.



- 33.0 **Purchasing by Employees.** Employees may purchase through the University materials that are purchased on a regular basis, provided that the procurement does not interfere with the normal activities of the University and the vendor agrees to such sales to employees at University cost. The cost to the employee will be the same charged the University by its vendor plus any and all applicable taxes and is to be paid by the employee at the time the materials is received by the employee. The purchase requisition will be used by the employee and approved by the area Vice President before the purchase will be made.
- 34.0 **Purchases from Employees.** It is the policy of the University not to purchase any goods or services from any employee or close relative of employee without the prior written consent of the Vice President for Finance & Administration or the President.
- 35.0 **Work on University Premises.** Work on University premises by other than University employees is not to start prior to the vendors' acceptance of the "indemnification and hold harmless" clause of agreement contained in the standard purchase order form and the execution of a "Certificate of Insurance" with the University as a named insured. The Vice President for Finance & Administration will be requested to review and approve any changes to the said agreement prior to the acceptance by the company.