



**Policy Series #: 7000(P) - Finance
Policy Manager: Brad Doss
PURCHASING PROCEDURE**

PURPOSE: The purpose of this procedure is to provide guidelines for purchasing goods and services within Riverland Community College (Riverland) that follow the MnSCU requirements.

APPLICABILITY:

A. Non-Capital (non-equipment) Items

1. Write up purchase request on a Requisition for Purchase form.
 - a. If the total order is under \$5,000, one quote is required. A quote can be by phone, catalog, internet, written or fax. Two quotes (verbal is acceptable) are encouraged, but not required.
 - b. If the total order is \$5000.00 - \$9999.99, two written quotes are required. A quote can be by catalog, internet, written or fax. No phone bids are allowed.
 - c. If the total order is \$10,000.00 or higher, coordinate the bidding process with the Purchasing Agent for proper procedures. Two written quotes are required.
 - d. Purchases \$50,000.00 or higher require a sealed bid process. Please work with the Purchasing Agent on procedures.
 - e.
2. Signatures
 - a. Purchases under \$2000.00 require cost center manager signature.
 - b. All purchases at or above \$2000.00 require supervisor's signature in addition to the cost center manager requester's signature. Example: an instructional purchase at/above \$2000.00 requires the faculty signature and the Dean's signature. A non-instructional purchase at/above \$2,000 requires the cost center manager's signature and their supervisor's signature.

- c. Instructional purchases at/above \$10,000 require the VP of Academic and Student Affairs signature.
- d. All purchases at/above \$20,000 require the signature of the President.
- e. All purchases that involve employee travel-related requests or individual membership dues require a supervisor signature, regardless of dollar amount.

3. Process

The purchase requisition is then routed to Purchasing Agent for processing. At that time, the purchase requisition initiates the purchase order and the funds are encumbered. A copy of the purchase order will be returned to the requester. The order will be placed according to the request on the requisition.

If adequate funds are not available to process a purchase order, the requisition will either be returned to the originator or the originator and the supervisor will be contacted via email regarding the next steps to take.

No purchases can be made without a purchase order. Purchases made out-of-pocket will not be reimbursed (i.e., supplies). Employee will be responsible for expenses made without an approved purchase order.

B. Capital (equipment) Items

Capital purchases involve the purchase of one item with a cost of \$10,000 or more. Two written bids are required. The Requisition for Purchase form requires a minimum of two signatures. See signature guidelines in #2. The requester should work with Purchasing to complete the proper paperwork and coding, written bids, signatures, etc. Upon receipt of equipment, this item would be tagged and entered into the State of Minnesota fixed asset system.

C. Field purchase orders

Field purchase orders are three-part purchase order forms that may be used to make local purchases of tangible items of \$500 or less. These forms are available as needed from the Business Office. The purchases and vendor (store/supplier) must be approved prior to making the purchase. Obtain approval from Purchasing prior to making a purchase with a field purchase order.

D. Invoices

Route all packing slips to Business Office/Accounts Payable. Invoices will be routed to the department that ordered the goods or services for approval. The department should review the invoice to make sure that the goods or services are acceptable and have all

been received. Sign and date the invoice, indicating date received, and route back to the Business Office/Accounts Payable for payment.

DEFINITIONS:

N/A

DOES THIS POLICY HAVE A PROCEDURE?

No

LIST RELATED POLICIES, PROCEDURES OR PLANS HERE:

MnSCU Board Procedure 5.14.5 Purchasing

Date of Initial Review by President's Cabinet:
AASC Review (if applicable):
FSGC Review (if applicable):
Date of Final Approval / Policy Adoption:
Date & Subject of Revisions: