



Spelman College®

*A Choice to Change the World*



## Administrative Services

Policies, Procedures and Guidelines Manual

Division of Business and Financial Affairs

**STANDARDS OF EXCELLENCE  
CIVILITY, COMMITMENT, CONSISTENCY**

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# PROCUREMENT SERVICES

## ADMINISTRATIVE POLICY

*Revised January 2016*

### Objective

The objective of the Department of Administrative Services in the Division of Business and Financial Affairs is to leverage the buying power through contract negotiations, supplier management, and technology adoptions, which supports and defines cost savings, service, quality, and best overall value.

### Policy

The procurement of goods and services applies to all restricted (grant) or non-restricted funds of the College. All funds are considered College funds and therefore the use of such funding must conform to the College's policy which conforms to any and all applicable federal law and standards. Specifically, these procurement policies and procedures are in line with federal guidelines 2 CFR 200.300. The College will follow the same procurement procedures based on federal guidelines 2 CFR 200.300 for all purchases, regardless of funding source (restricted/grant or non-restricted). Additional terms and conditions, and approvals may be imposed on the purchases funded by external sources as prescribed by the grantor.

Procurement Services monitors the acquisition of unnecessary/duplicate items which may necessitate product consolidation and/or lease to purchase options. Departments are allocated funds in their budgets for a designated period; however, departments are **NOT AUTHORIZED** to make purchases without a Banner generated/approved purchase order from Procurement Services, in the Department of Administrative Services. All requests must be authorized through the College's electronic requisition system (BANNER). This is the first step that must be completed to acquire a College purchase order for goods/services.

The College also encourages the purchase of recycled items when possible. This initiative supports the College's sustainability efforts that promote a greener environment. The purchase of all appliances on campus must also comply with the "Energy Star" rating.

It is against College policy to procure goods and services without an approved Banner generated purchase order number. It is also against Policy to use an invoice that has been received after the goods and services were acquired to generate a requisition. Failure to adhere to this Policy could result in non-payment to the vendor and could become the responsibility of the individual to pay the vendor.

It is the policy of the College that the following individuals have contract signing

authority (new or cancellation of contracts) that obligates the College:

- President of the College
- VP for Business and Financial Affairs and Treasurer
- Director of Administrative Services (if designated)

### **Conflict of Interest**

To avoid conflict of interest, the College will not contract the purchase of property, (intellectual, real or personal), supplies, services, and/or equipment from employees of the College, or their immediate family or members of the Board of Trustees. The College will not contract with any vendor or independent contractor (including subcontractors or sub recipients), expressly including for participation in any federally funded research project, if the vendor or independent contractor does not agree to comply with the College's Conflict of Interest Policy. The purpose of this requirement is to ensure that no one contracting with the College or participating in a federally funded research project with the College has a significant conflict of interest as that term is defined in the Policy that could damage the College or affect the design, data or conclusions of the research project. The link below will connect you to the College's Conflict of Interest Policy.

<http://princess.spelman.edu/vendorprofile.nsf/COI%20Policy?OpenPage>

### **Code of Ethics/Conduct**

Employees conducting business on behalf of Spelman College shall at all-time remain professional and conduct business in a professional manner and adhere to the College's Code of Conduct. (See Exhibit A) Vendors doing business with the College will be held to the same standards. See Supplier/Vendor Code of Conduct (See Exhibit A-1)

### **Centralized Procurement**

The centralized department for procurement, Administrative Services, is responsible for negotiating procurement needs and administering procurement policies and procedures. A centralized procurement function dictates that all purchases made should have a purchase order, which is generated from the College's Banner financial system. Spelman College does not operate in a decentralized environment.

### **The Department of Administrative Services**

Procurement Services procures goods and services on behalf of the College. The Director and the Manager of Procurement Services are authorized to manage the procurement department and are responsible for ensuring that the College's objectives as well as the specific needs of user departments are met.

Procurement Services performs the following functions on behalf of the College:

- Develops guidelines for purchasing supplies, services and equipment
- Executes and develops service agreements with user departments
- Works with the VP of Business and Financial Affairs and Treasurer on negotiations that impact the College
- Assists with the evaluation of current state or current conditions and makes recommendations for improvement (ex: furniture)
- Provides user departments with current information on new products and services, alternative materials and, where applicable, costs
- Evaluates purchases for cost improvements and makes recommendations to user departments for cost saving measures
- Prepares, in cooperation with user departments, quality and quantity specifications for procuring goods and services
- Monitors and supports adherence to procurement policies
- Encourages competition among vendors through negotiations, competitive bidding, and contract buying
- Ensures that purchase orders and contracts contain all appropriate guarantees, warranties, shipping instructions, credit terms and discounts
- Maintains accurate records and files of requisitions, purchase orders, vendor catalogs, product information, update the procurement website and other relevant materials
- Promotes the purchase of recycled materials when possible
- Ensures that all Mail Center operations are in compliance with the rules and regulations of specific couriers (USPS, UPS, FEX, etc.), and ensures the timely receipt, delivery and processing of all campus mail
- Ensures that the College's cell phones are acquired under the best contracts and rate plans and those College employees are equipped with the best devices on the market
- Validates new vendors On-Line Vendor Profile
- Validates accuracy of information provided by the Independent Contractors
- Supports the College by managing copy services
- Supports the College by maintaining campus vending
- Supports the College with sustainability efforts
- Supports the College in the procurement of major equipment leases (copiers, etc.)

### **Purchases Supported by College Policies**

College policy supports the expenditures for any lawful item, goods, or services that support the implementation or enhancement of College programs. To ensure the department chair's approval of purchases, Banner requires an electronic authorization to support acquisitions.

**Note: At times it may be necessary for the department chair, the Director of**

**Administrative Services or the Manager of Procurement Services to disapprove expenditures.**

### **Grant & College Funds Procurement**

All procurement policies set forth apply to the use of restricted (Grant) funds and non-restricted (College) funds in all business cases. Purchases must be allowable, allocable and reasonable as related to each specific grant and will be reviewed as such. As is required for procurement of goods and/or services with unrestricted funds, goods and services procured with grant funding must be requisitioned through Banner and approved by the Principal Investigator, Budgets and Contracts Office (for availability of funds and fiscal compliance) and Procurement Services. Goods and/or Services requisitioned for purchases \$3000 or greater must be additionally approved by the VP of Business and Financial Affairs or Director of Budgets and Contracts within Banner.

All restricted or non-restricted purchase requests are evaluated to determine the best business practice to be utilized for procurement of goods/services. This includes the use of lease vs purchase alternatives. The following factors are examples considered to determine the most cost effective method of procurement; market value, lease rate, space planning and in some cases technology refresh. Additional factors not listed may be considered as well additional terms and conditions may be imposed on the purchases funded by external sources as prescribed by the grantor.

### **Procurement Procedures For Restricted (Grant) and Non-Restricted (College) Funds**

In conformity with the Office and Management and Budgets federal guidelines for procurement ([2 CFR 200.300](#)), the College will utilize one of five methods for procurement of items purchased with restricted/grant or non-restricted funds. The method of procurement utilized is based on the type of acquisition.

The five methods of procurement are described below:

#### **Micro-Purchases:**

Procurement by micro purchases are defined as purchases valued less than \$3000 per line (\$2000 per line for acquisition for construction items). These purchases do not require a bid process.

It is the policy of the College that all purchases, including micro purchases, restricted or unrestricted be requisitioned and approved through the College's electronic requisition system (Banner). This is the first step that must be completed to acquire a College purchase order for goods/services. Invoices may not be used to generate a requisition after goods and services of micro purchases are received. This would be in direct violation of the College's procurement policy and would be considered an unauthorized purchase. A quote should be requested from the vendor and this quote should be used

to enter a requisition in Banner. Procurement Services may require the user to obtain additional quotes for review and approval before purchases are executed. Procurement Services may also request a copy of the quote for reference. Micro purchases require approval hierarchy in Banner as do all requests for goods and services for the College.

Spelman College operates in a centralized procurement environment and Procurement Services provides the College with an on line Preferred Vendor list which supports the majority of micro purchases and streamlines the need to obtain quotes from various outside vendors. The Preferred Vendor list is not a sole sourced list but one that offers several vendor choices for a specific commodity. It is the policy of the College to support equality and fairness with vendors regardless of classification (minority owned, corporation, women owned, etc.) or purchase value for goods/services.

### **Procurement by Small Purchases:**

The procedure for acquiring a single item valued at \$3,000 but less than \$25,000, is similar to the method for making micro purchases (see above), however, requests for purchases in this category must include price or rate quotes obtained from an adequate number of sources (as determined by Procurement Services/3 quotes). The Office of Procurement Services can assist in obtaining such quotes and/or sources if necessary.

If a single item valued at \$3000, but less than \$25,000 and 3 quotes are unavailable (i.e. sole vendor was pre-approved in a grant proposal by the awarding agency, etc.) the purchase may qualify under the non-competitive proposal/sole source provider methodology. (See Page 6 “Procurement by Non-Competitive Proposals”).

**Procurement by Sealed Bids, Competitive Proposals / Non-Competitive Proposals:** Procurement of items valued greater than \$25,000 will be accomplished utilizing sealed bids, competitive proposals or non-competitive proposals (sole source provider).

### **Procurement by Sealed Bid:**

If the procured service(s) or good(s) lends itself to a firm fixed price contract valued greater than \$25,000, and the award will be made in writing to the lowest responsive and responsible bidder, the sealed bid methodology is most appropriate. Bids are publicly solicited from at least three known suppliers and invitation for bids publicly advertised. Bids solicitations will provide bidders time to prepare bids prior to the date set for opening the bids. In such case, all bids will be publicly opened at the time and place prescribed in the invitation for bids Please contact Procurement Services for assistance in drafting all bid solicitations and other documentation when utilizing this method of procurement.

### **Procurement by Competitive Proposals:**

If the procured service(s) or good(s) lends itself to a firm fixed price contract valued

greater than \$25,000, and the award will be made to the responsible firm whose proposal is most advantageous to the recipient's program with price and other factors considered the competitive proposal methodology is most appropriate. When procurement of services/goods requires the use of competitive proposals (3 bids are required); Procurement Services is available to assist if necessary the requesting Department or Principal Investigator in the development of a Request For Proposals (RFP), which will include, but is not limited to, the following: a scope of work, sub-contractor/vendor requirements and terms and conditions. If the vendor/subcontractor selected will be compensated utilizing federal funding, solicitations must include any federal terms and conditions to which the College is bound. This may include, but is not limited to: the selection of vendors/subcontractors with environmentally sustainable policies, and the inclusion of positive efforts towards the use of small, disadvantaged and minority owned firms.

**Procurement by Non-Competitive Proposals:**

Procurement by non-competitive proposals (sole source provider) may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:

- When the supplies or services are available from only one responsible source, and no other type of supplies or services will satisfy the recipient's requirements;
- When the recipient's need for the supplies or services is of such unusual and compelling urgency that the recipient would be seriously injured unless the recipient is permitted to limit the number of sources from which it solicits bids or proposals, or when the public exigency or emergency for the requirement will not permit a delay resulting from a competitive solicitation
- The College and funding agency (in the case of restricted funding) has authorized non-competitive proposals/negotiations prior to awarding

After solicitation of a number of sources, and competition is determined inadequate, a Sole Source Justification Document must be submitted with the Banner requisition. This document may be acquired on the lotus notes dash board. **(See Exhibit K)**

**Contract Purchases**

The College agrees to contract purchases where a dollar amount has been agreed upon to complete a job, usually within a designated weekly/monthly amount. The entire agreed upon dollar amount should be entered in Banner as a requisition. Procurement will enter the purchase in Banner as an open purchase order. This encumbers the funds and each time an invoice is received for the service rendered, it should be approved and sent to Accounts Payable for payment. Banner allows the purchaser to see each time payments are made, and Banner will subtract the payment from the initial amount of the purchase order.

## **Unauthorized Purchases**

Spelman College operates on an electronic requisitions/ purchase order system. Accordingly, all purchases for goods and services must be transacted through the purchase order process. The Check Request method of payment is limited to the College's weekly and/or monthly obligations such as utilities, dues, subscriptions, salary and travel advances, and other reimbursement expenses. Expenditures submitted on a Check Request form that should have been submitted as a purchase order will be returned to the requester and could result in nonpayment. No individual is authorized to enter into purchase contracts or in any way obligate the College for procurement indebtedness without approved purchase orders. Such negotiations are considered unauthorized purchases, and the individual entering into these non-authorized activities will be personally responsible for paying the vendor for services, supplies, or equipment received. Purchase orders are generated from the procurement department only. Submitting a requisition for an unauthorized service or product already received could result in disapproval or nonpayment.

## **Vendor Procurement Procedures and Selection**

### **Vendor Profile Forms**

#### **Guest Lecturer/Speaker**

The College has an electronic process in place for all guest speakers or lecturers (**See Vendor Profile Exhibit B**). Visit [www.spelman.edu](http://www.spelman.edu), click Administrative Services and select vendor profile. This profile is required and must be completed each time a speaker/lecturer visits the campus and should be completed prior to the arrival. The department should generate a Banner requisition and request a Purchase Order which will be electronically sent to the speaker, user department and accounts payable.

#### **Vendor/Independent Contractors**

The College has an electronic process for registering all vendors (including new vendors) wishing to conduct business with Spelman College (**See Vendor Profile Exhibit C**). To access the profile, visit [www.spelman.edu](http://www.spelman.edu), click on Administrative Services. This profile is required of any new vendor. Potential vendors are selected based on a completed profile that lists references and all information that will allow the College's Accounts Payable department to pay for the goods/services. Procurement services will validate references and specific information, such as food service permits, etc. Registering a Vendor Profile does not guarantee however the vendor's approval. The information has become a part of the vendor database only. Approval status is granted only after the profile has been verified (references are validated, etc.), and a user has

made a request to purchase goods or services from this vendor. A completed vendor profile does not represent an application or request for an approval to sell, market, copy or use the Spelman College name nor its seal, logos or other marks, all of which are registered trademarks. There is a separate licensing program that vendors must complete to seek such approval. Vendors may contact the office of Administrative Services at the College or contact the Collegiate Licensing Company, Atlanta, Georgia, if they are interested in marketing/selling materials using the name of Spelman College or any of its trademarks.

### **Vendor Profile for International Business**

The College conducts business with international clients/companies also. Due to the language and other challenges, vendor set up must be executed with the assistance of Administrative Services. We will assist in getting such vendors approved for payments through the system.

### **Vendor Selection /Preferred Vendor List**

The display or demonstration of the vendor's products, often an important part of the selection process, is encouraged. However, it should be coordinated through Procurement Services. Procurement has a **Preferred Vendor List** of vendors that have competitive pricing and exceptional customer service. The link for the Preferred Vendors is located on Lotus notes dashboard. Vendors may contact individual departments, or departments may recommend vendors, but contracts, which commit the College to purchase goods or services, must be developed with the assistance of the Director of Administrative Services, or VP for Business and Financial Affairs and Treasurer.

**Note: Departments are encouraged to recommend suppliers (particularly for unusual or non-standard items), and Procurement Services will consider their recommendations when possible. However, in situations where the use of a particular vendor poses a risk or where there are significant financial disadvantages for the College, Procurement Services will select another vendor and get approval from the user department to proceed with the purchase.**

### **The Banner Electronic On-line Requisition**

The Banner Electronic Requisition (**See Exhibit D**) is used to procure all goods and services. Extreme circumstances may require a manual requisition to be processed. Administrative Services offers Banner training to support and guide the users through this process.

Banner Requisitions will automatically route in Banner to the budget manager and then to procurement for validation and approval and if necessary to the VP for Business and Financial Affairs and Treasurer or the Associate VP for Business and Financial Affairs for additional approvals. Computer related items must be approved by MIT (Media and Information Technology) before Procurement Services receives the requisition and in the "Ship To" section of the requisition it should indicate MITIC. MIT controls the

inventory of computer related equipment. Any requisition that is disapproved will electronically be returned to the user who initiated the request. Each requisition should have no more than 20 line items.

### **Banner Tutorial**

Administrative Services has launched a BANNER TUTORIAL located on the Spelman College dashboard. This tutorial provides step-by-step instructions on how to generate a requisition from start to completion. To assist you during this process it provides answers to most frequently asked questions. We encourage the use of this tutorial that is also printer friendly.

### **Service Agreements**

The College requires that certain equipment be covered by service contracts to ensure their efficient and continual operation. For example, copiers require contracts and service agreements.

To establish the service, the VP for Business and Financial Affairs and Treasurers may initiate the service agreements outlining the equipment or service to be covered. The Vice President will forward all proposed agreements to Administrative Services for final review, negotiation, and execution.

Service level agreements or Standards of Performance (SOP) are also sometimes necessary. These agreements are generated from the office of Administrative Services and approved by the Manager of Procurement Services or the Director of Administrative Services.

### **The Procurement Components**

Essential components to the procurement process are listed below:

- \* Vendor Profile/Guest Lecturer/International Vendor Profile (**See Exhibit B & C**)
- \* On-Line Purchase Requisition (**See Exhibit D**)
- \* Purchase Orders (**See Exhibit E**)
- \* Competitive Bidding
- \* Independent Contractors Agreements
- \* Service Agreements
- \* In Stock Inventory
- \* Quality
- \* Prohibited Purchases
- \* Policy on Gifts/gratuities
- \* Preplanning Purchases/Specification Problems
- \* Emergency Buying
- \* Special Procurement/Policies
- \* Legal Issues
- \* Tax Exempt Status
- \* Year End Notification

## Competitive Bidding

When required by the College, federal or state law or whenever practical, Procurement Services will secure competitive quotes from vendors selling the same or similar products. At its discretion, Procurement Services may choose to bid any item, which, in its judgment, lends itself to competitive bidding. The Department must be given sufficient time to obtain prices and place orders when competitive bids or proposals are solicited. Furthermore, federal circular ( 2 CFR section 200.300) requires the College to ensure that all procurement transactions are conducted in a manner that provides maximum, practical, open, and free competition. Under certain circumstances, the Federal awarding agency may require the College to provide certain documents pertinent to the procurement process. These situations include, but are not limited to, awarding a contract to a bidder other than the apparent low bidder, awarding a contract without competition, when the purchase exceeds \$25,000 (a minimum of three bids are required), or awarding a contract when only one bid is received in response to a solicitation. In some cases the bid that is \$25,000 or more can only be provided by a sole source, in this case there should be proof and documentation of other solicitations that could not support the desired request. A sole source justification document is required as well (**See Exhibit K**).

Departments may wish to request prices on items they are considering. It should be understood, however, that these quotations, regardless of their source, are “informal quotations” and should be considered as information only; accordingly, all purchases for goods and services must be transacted through the purchase order process even if it has been through the bid process. Expenditures submitted on a Check Request form, which should have been submitted as a purchase order, will be returned.

No individual is authorized to enter into purchase contracts as a result of a bid or in any way obligate the College for procurement indebtedness without approved purchase orders. Such individual negotiations are considered unauthorized purchases, and the individual will be personally responsible for paying the vendor for services, supplies, or equipment received. Purchase orders are generated from the Procurement Services department only. Submitting a requisition for a service or product already received is unauthorized and will result in disapproval or nonpayment.

When procurement of services/goods requires the use of competitive proposals, Procurement Services is available to assist the requesting Department or Principal Investigator in the development of a Request For Proposals, which will include, but is not limited to, the following: a scope of work, sub-contractor/vendor requirements and terms and conditions. If the vendor/subcontractor selected will be compensated utilizing federal funding, solicitations must include any federal terms and conditions to which the College is bound. This may include, but is not limited to: the selection of vendors/subcontractors with environmentally sustainable policies, and the inclusion of positive efforts towards the use of small, disadvantaged and minority owned firms.

In accordance with Title 40, Subpart C of the CFR, when procuring construction, equipment, services and supplies to be funded by EPA grant dollars, the College will make good faith efforts towards the solicitation and use of small businesses, minority owned firms and women's business enterprises (DBEs). Procurement Services will be available to assist with:

1. Actively soliciting DBEs to the extent feasible
2. Making solicitations available for bids for a minimum of 30 calendar days when possible
3. Include in the contracting process consideration for larger entities subcontracting to qualified DBE's when cost effective
4. Consider utilizing a consortium of DBEs when a project may be too large for a sole DBE to handle
5. Utilize the assistance of SBA, NMSDC and Minority Business Development Agency of the Department of Commerce to obtain information regarding possible DBEs to perform services and or deliver goods
6. Require prime contractors to take steps 1-5

### **Independent Contractors/Consultants**

An independent contractor/consultant is defined as a person or firm that provides expertise, knowledge or services that are not readily available at the College (or that are not available on a timely basis). In addition, an independent contractor performs a specific task for a stated rate or sum of money for a limited or designated time. When an Independent Contractor is hired, the College/department must state the scope and time period of the work. The contractor/consultant is responsible for performing the work in a professional manner and for determining how, when and by whom the work is to be done. The College may request a list of key personnel assigned to a project and/or a resume of the qualifications of those individuals.

Prior to committing to pay an individual as an independent contractor, the requester must have the contractor complete an **Independent Contractor Agreement** (with attachments if applicable) (See **Exhibit J**), and obtain approval from the department's chairperson. **If the contractor has not conducted business with Spelman College, it will be necessary that a Vendor Profile be completed and approved.** The Banner requisition and Independent Contractor Agreement process should follow.

The Budget Manager, Provost/Division VP, VP for Business and Financial Affairs and Treasurer, the Director of Administrative Services or the Manager of Procurement Services (if designated) are required to sign the Independent Contractor Agreements.

The Independent Contractor Agreement is not final and does not bind the College until these individuals have executed this Agreement. The approved Agreement should be forwarded to Procurement Services with the appropriate Banner requisition number noted. The approvals from Business and Financial Affairs are done only after proper approvals are received from the requester. All Independent Contractor Agreements of \$1000.00 or more will require the above signature approvals.

**Note:**

**The first step that must be completed when hiring an Independent Contractor is to submit an online Banner requisition which provides approval authority in Banner from department chairpersons. After all supporting documents (Independent Contractor Agreement with approvals as noted in the preceding paragraph, Vendor Profiles, etc.) have been received and approved, Administrative Services will generate a Purchase Order in Banner, which is the final approval that permits the hire of the Independent Contractor.**

**Special Note:**

**Individuals who are currently employed or who have been employed at the College within the past 12 months as staff, faculty or student workers cannot be paid as Independent Contractors.**

### **Independent Contractor Checklist**

Mistakenly classifying an employee as an independent contractor can result in significant fines and penalties by the IRS. There are 20 factors used by the IRS to determine whether you have enough control over a worker to be an employer. Though these rules are intended only as a guide--the IRS says the importance of each factor depends on the individual circumstances--they should be helpful in determining whether you wield enough control to show an employer-employee relationship. If you answer "Yes" to all of the first four questions, you are probably dealing with an independent contractor; "Yes" to any of questions 5 through 20 means your worker is probably an employee.

- 1. Profit or loss.** Can the worker make a profit or suffer a loss as a result of the work, aside from the money earned from the project? (This should involve real economic risks not just the risk of not getting paid.)
- 2. Investment.** Does the worker have an investment in the equipment and facilities used to do the work? (The greater the investment, the more likely independent contractor status.)
- 3. Works for more than one firm.** Does the person work for more than one company at a time? (This tends to indicate the independent contractor status, but is not conclusive since employees can also work for more than one employer.)

4. **Services offered to the general public.** Does the worker offer services to the general public?
5. **Instructions.** Do you have the right to give the worker instructions about when, where, and how to work? (This shows control over the worker.)
6. **Training.** Do you train the worker to do the job in a particular way? (Independent contractors are already trained.)
7. **Integration.** Are the worker's services so important to your business that they have become a necessary part of the business? (This may show that the worker is subject to your control.)
8. **Services rendered personally.** Must the worker provide the services personally as opposed to delegating tasks to someone else? (This indicates that you are interested in the methods employed and not just the results.)
9. **Hiring Assistants.** Do you hire, supervise, and pay the worker's assistants? (Independent contractors hire and pay their own staff.)
10. **Continuing relationship.** Is there an ongoing relationship between the worker and yourself? (A relationship can be considered ongoing if services are performed frequently, but irregularly.)
11. **Work hours.** Do you set the worker's hours? (Independent contractors are masters of their own time.)
12. **Full-time work.** Must the worker spend all of his or her time on your job? (Independent contractors choose when and where they will work.)
13. **Work done on premises.** Must the individual work on your premises, or do you control the route or location where the work must be performed? (Answering no does not by itself mean independent contractor status.)
14. **Sequence.** Do you have the right to determine the order in which services are performed? (This shows control over the worker.)
15. **Reports.** Must the worker give you reports accounting for his or her actions? (This may show lack of independence.)
16. **Pay Schedules.** Do you pay the worker by hour, week, or month? (Independent contractors are generally paid by the job or commission; although by industry practice, some are paid by the hour.)
17. **Expenses.** Do you pay the worker's business or travel costs? (This tends to show control.)
18. **Tools and materials.** Do you provide the worker with equipment, tools, or materials? (Independent contractors generally supply the materials for the job and use their own tools and equipment.)
19. **Right to fire.** Can you fire the worker? (An independent contractor cannot be fired without subjecting you to the risk of breach of contract lawsuit.)
20. **Worker's right to quit.** Can the worker quit at any time without incurring liability? (An independent contractor has a legal obligation to complete the contract.)

**These rules are subject to change without notice from the Internal Revenue Service and U.S. Department of Treasury.**

## **In Stock Inventory**

Administrative Services stocks inter-office envelopes for the College's use. The department must complete a manual requisition and submit it to Administrative Services. The usual turn-around time is 1-2 days. Manual requisitions (forms) can be acquired in the Office of Administrative Services.

## **Quality**

It is the job of Procurement Services to assist with the acquisition of goods/services that are believed to be of the highest quality. Purchases are based on specifications on file, furnished by the requester, via the internet, or developed with the assistance of the requester. The user, the department's chairperson, and the Director or Manager of Procurement Services will jointly determine the best quality.

## **Purchases Prohibited by College Policies**

College policy prohibits the purchase of personal items (such as bottled water, Kleenex tissues, specialty tea and coffee, snacks, etc.). Items considered personal must be purchased by individuals using their personal funds. In addition, College letterhead or other College forms may not be used to order personal items.

College policy also prohibits the purchase of Gift Cards for any reason. Please contact the department of Administrative Services or the Controller's office to discuss this policy.

## **The College Policy on Gifts, Gratuities and Research Participant Incentive Payments**

It is the policy of the College that any gift with a value greater than or equal to a value of \$100 must be disclosed to the Human Resources Office or the Provost or Vice President or supervisor. The Provost or the appropriate Vice President has the right to require an employee to return a gift that is deemed inappropriate or has excessive value and violates the College's Conflict of Interest Policy.

In some cases, research projects may fund small incentive payments to research participants. Such payments should be made in cash to participants and are processed and governed by the Research Participant Incentive Policy (Exhibit M). These payments are not requisitioned through the College's procurement process.

## **Preplanning Purchasing Transactions**

To maintain an effective and efficient procurement process, departments must preplan the purchase of goods and services. The time required to issue a purchase order and

secure delivery on a properly prepared and approved requisition may vary from one day to several days; however, the **average** turn-around of a request for a purchase order is two (2) days if all associated documents are submitted timely and approved (e.g.) vendor profiles, independent contractors agreement, etc.). Specification issues should be discussed with Procurement Services before the requisition is submitted to avoid a delay in processing. Please remember that Procurement Services will not receive your requisition until your budget manager has approved it. Departments should request routine items well in advance of the date needed, or they should work with Procurement personnel to develop **blanket agreements** that will reduce and/or eliminate the need for repetition. Such items should rarely be designated as “emergency needs.”

### **Emergency Buying**

In extreme circumstances, Procurement Services will make emergency purchases via telephone and confirm the transactions by immediately sending a purchase order to the vendor. Procurement Services will consider the following factors when determining whether a transaction requires urgent processing:

**The purchase will:**

- \* **prevent life safety hazards**
- \* **keep vital equipment operative**
- \* **prevent deterioration of a product and/or experiment**

**Note: In all situations, whether urgent or not, the user department must complete a Banner requisition, which includes appropriate approvals before Procurement Services can issue a purchase order number.**

### **Special Procurement/Policies**

#### **The Purchase of Flowers**

The budget manager of a department can purchase flowers for individuals who are in that specific department. Money must be available in that budget to cover the purchase. The dollar limit for these purchases should not exceed \$125.00. The College does not support the purchase of flowers outside of their department.

#### **Rented or Leased Equipment**

Equipment that is furnished for the College’s use by external agencies on a rental or lease basis (whether for a definite or indefinite period) should be covered by a purchase order. Procurement services should be notified of any arrangement made to rent or lease, if the company is not a pre-established and valid vendor for Spelman College.

Departments will be responsible for returning rented or leased equipment at the end of the rental/lease period. To extend the current rental or lease, departments must communicate with the vendor and seek Procurement Services’ approval.

## **Outside Printing**

A purchase order is required for all outside printing requests. It is essential that special printing requests contain detailed specifications. Procurement Services personnel can assist in developing specifications or in providing a print vendor. The College encourages the use of the on campus print shop for all printing.

## **College Letterhead, Envelopes, and Business Cards**

College letterhead, envelopes, and business cards are standardized in format, paper stock type, and color. Any request for stationery modification from the standards must be submitted to the Director of Administrative Services. The Director will route the request for all necessary approvals and advise the department of how to proceed.

Business cards can be order by completing a Banner Requisition. In the **Item Text** of the requisition, the user should enter the desired business card information. The requisition is routed to the budget manager who reviews and approves the requisition for business cards then the requisition for business cards is submitted to Procurement Services for PO assignment and processing.

## **Prepaid Orders/Deposits/Advancements**

In situations where prepayment is a condition of purchase, departments must complete a Check Request Form and submit it to the Office of the Controller for approval (**See Exhibit L that details the Check Request Process**). Order forms (if applicable) or other proof of price should be attached to the Check Request form. Before submitting a check request contact Procurement Services to verify that this purchase qualifies as a check request rather than a Banner requisition. Generating a check request to avoid the Banner system will not be supported. We encourage you to obtain a quote and submit an on-line requisition which creates a purchase order. A copy of the PO and the invoice are the documents necessary to obtain a check.

Some negotiated contracts may stipulate a deposit/advance payment. The College will only support such requirements if the contract has been approved and signed by the VP for Business and Financial Affairs & Treasurer. The maximum deposit for any contract is 50% of the total contract cost or 50% of the total direct cost (material/equipment) as agreed by both parties.

## **Customized Purchases**

Purchase requests for customized items (rubber stamps, etc.) should be accompanied by an attachment that indicates the exact wording, spacing, and lettering. It should be submitted to the procurement department. A Banner requisition is also required.

## **Cellphone Services**

The requests for cell phones, etc. have to be submitted and approved by the

department's Vice President via email or the lotus notes dashboard. Once approved, the request is submitted to Administrative Services for acquisition.

### **Purchase of Cars & Golf Carts**

It is the policy of the College that purchase agreements for cars, golf carts, etc. shall not be entered into by employees of the College. The President, Vice President for Business Affairs and Treasurer, Associate Vice President for Business and Financial Affairs, or Director of Administrative Services has the authority to sign such agreements. Administrative Services shall maintain a copy of the agreement for future reference.

### **Motor Coach Policy**

It is the Policy of the College to use only authorized vendors for the purpose of ground transportation. The only exception to this policy is traveling using rentals. (See Exhibit F).

### **Product Licensing Policy**

It is the policy of the College that any vendor that uses Spelman's trademarks on merchandise (including t-shirts, caps, and all other saleable products) must be licensed. This license must be obtained through the Collegiate Licensing Company (CLC). (See Exhibit G) for full review of the policy.

### **Legal Issues/ Documents**

All legal issues and documents should be referred to the Director of Administrative Services or Manager of Procurement Services for appropriate action.

### **Sales Tax & Tax Exempt Status**

Spelman College is tax exempt in the State of Georgia for sales and use tax. However, we are not exempt for items such as Hotel taxes.

The College is exempt from State and City Sales and Use Taxes. College personnel should request and obtain a tax-exempt letter from Procurement Services for direct purchases. The College will not reimburse College personnel for taxes incurred when miscellaneous items are purchased and reimbursement is sought by a Check Request.

### **Year End Notification**

Administrative Services will communicate annually to the College community deadline dates for submitting requisitions at year-end. Goods and services must be ordered and received by June 30<sup>th</sup> in order to be charged to the current fiscal year. Items received after this date will be charged to the next fiscal year's budget.

## **Equipment Asset Management**

Equipment purchased using restricted or unrestricted funds through the Banner requisition and PO process in the amount of \$5000 or more per item and non-computer related purchases are managed using the Inventory Asset management system. Procurement Services will physically affix an inventory control tag to the equipment, maintain the inventory report making additions as equipment is purchased, and submit an annual report to the Controller's office identifying all equipment asset purchases for the year.

## **Mail Services**

The Spelman College Mail Center ensures that all official incoming and outgoing mail is handled in an efficient and speedy manner following federal guidelines set forth by the United States Postal Service. The Mail Center, located across from lower Manley Center, is the only authorized center designated to receive/ship mail on behalf of the College. Faculty and staff should seek assistance from the Manager of Postal Operations for special mailings and postal agreements. Individuals are not allowed to establish postal accounts using the College's resource information. The Spelman Mail Center is not a federal post office. The College receives its mail from the local USPS and distributes it accordingly. The Manager of Postal Operations assigns mailboxes to students, faculty, and staff. The Mail Center also offers click-and-ship, which allows Spelman students, faculty, and staff to establish USPS personal accounts that can be used worldwide. The Mail Center offers web based processing for this purpose. The Manager of Postal Operations can assist members of the community with establishing a personal account.

## **Copy Services**

The Spelman College Copy Services department is the only authorized center designated as a copy center for the community.

Administrative Services manages the campus copy services. Each requester must complete a copy request form, and copies, binding, etc., are billed to each appropriate department's unrestricted/restricted budget funds.

It is against policy to establish a copy center anywhere on campus.

**Please refer to Exhibit H for the Procurement of Goods and Services Flowchart For assistance, refer to Exhibit I for the appropriate resource extension.**

## *Exhibit A*

### **Code of Conduct**

Spelman College is entrusted by society with great resources and commensurately great responsibilities for the creation, dissemination, and preservation of knowledge. Furthermore, the College is entrusted to uphold its mission and vision. Employees play a vital role in ensuring that high standards of ethical practice extends to the custody and use of these resources and to colleagues. Employees' personal and professional conduct reflects on Spelman College, the collective professions, the higher education enterprise at large and the community.

To guide employees in setting and practicing high standards of ethical conduct, the Board of Trustees and Management have adopted the following Code of Conduct.

The employees' conduct should be characterized by respect for the College, integrity and dignity, and employees should expect and encourage such conduct by others.

Employees should adopt and adhere to the following standards of conduct -

- accord respect to self and others and promote an environment of professionalism and helpfulness;
- preserve honesty in actions and utterances;
- give fair and just treatment to all;
- accept intellectual and moral responsibility;
- aspire to achieve quality;
- refuse conflict or the appearance of conflict between personal and institutional interests; and adherence to the Business Ethics and Conduct and Confidentiality policies;
- adherence to policies in documents such as the Faculty Handbook and the Employee Handbook;
- engender forthright expression of one's own views and tolerance or acceptance for the views of others.

The employees should act with competence and should strive to advance competence, both in self and in others.

The employees should understand and support Spelman's objectives and policies, should be capable of interpreting them within and beyond the institution, and, as appropriate, should contribute constructively to their ongoing evaluation and reformulation.

The employees should communicate to institutional colleagues the content of this Code of Conduct and should strive to ensure that the standards of professional conduct contained therein are met.

In discharging his or her duties in accordance with the Code of Conduct, the employee should

enjoy the following:

- the opportunity to work in a professional and supportive environment;
- within the scope of his or her authority, the opportunity to exercise judgment and perform duties without disruption, harassment, intimidation, substance abuse, or violence;
- freedom of conscience and the right to refuse to engage in actions that violate the ethical principles contained in this Code or provisions of law.

**Policy No. 117 Effective Date: 5/1/2008**

*Exhibit A-1*

**Supplier/Vendor Code of Conduct**

**Supplier/Vendor Code of Conduct**

Spelman College commits to conducting its business in a legal, responsible and ethical manner. To comply with ethical business practices and to encourage compliance with all legal requirements (local, state, federal, international) Spelman College has established a Supplier/Vendor Code of Conduct.

**Compliance with Regulations, Laws and Published Standards**

It is required that all suppliers/vendors abide by all applicable codes/regulations, and laws including but not limited to, any local, state or federal laws regarding wages, benefits, workmen's compensation, equal opportunity and product safety. Spelman College also expects its suppliers to conform to business practices published as standards for their industry.

**Environmental Practices**

- Suppliers/Vendors of Spelman College shall comply with all environmental regulations and laws applicable to their operations worldwide. Compliance shall include but is not lot limited to the following:
  - Proper handling and disposition of hazardous materials
  - Maintaining and obtaining environmental permits and timely submittal of reports if required
  - Waste minimization
  - Recycle and reuse product material where possible
  - Use of earth friendly products and proper management of operations that harm the environment
  - Implement and use of water and energy reduction
  - Conservation in the use of packaging material
  - Safety Practices/Training and Occupational Health
  - Suppliers shall maintain a safe and healthy working environment for its employees to prevent accidents arising out the course of work.
  - Supplier should provide at minimum the following:
    1. Clean and safe facilities
    2. System to report illness and injury

**Employment Practices**

Working conditions for employees should be in compliance with laws, regulations, codes and industry standards. Suppliers should ensure that employees have safe

environments, healthy working conditions and reasonable daily and weekly work schedules.

Suppliers should each have a company policy that applies to all local and federal laws prohibiting discrimination in hiring on the grounds of race, color, religion, sex, age, physical disability, national origin, creed or any other basis prohibited by law.

Suppliers should not use workers under the legal age for employment for the type of work being performed in any facility in which the Supplier is doing work for Spelman College.

**Exhibit B**  
**Vendor Profile Form**



## **Spelman College**

PROFILES FOR GUEST SPEAKERS OR VENDORS/INDEPENDENT CONTRACTORS

### **Administrative Services**

Thank you for choosing to conduct business with Spelman College. It is the College's policy that all new vendors, independent contractors or speakers complete our Vendor Profile or Guest Speaker form. Please select your class of business as indicated below and proceed to complete the profile/form.

*Please click the desired profile below:*

[Guest Lecturer/Speaker](#)

[Vendor/Independent Contractor](#)

*Exhibit B (continued)*

**Vendor Profile Form/Guest Speaker**



**Spelman College  
Guest Lecturer/Speaker Agreement  
Administrative Services**

*\*Required Fields*

This form may be used by a Guest Lecturer/Speaker who shall be engaged by Spelman College for one day or less to lecture or interact with students, faculty, or staff. All other persons or entities, including without limitation any Guest Lecturer/Speaker engaged by Spelman College for more than one day must execute Spelman College's Independent Contractor Agreement.

Name of Vendor: \*

Federal I.D or Social Security Number: \*

Please attach W-9: \*  No file selected.

Mailing Address: \*

City: \*  State: \*  Zip: \*

Telephone: \*

Email: \*

Date of Lecture/Event: \*

Spelman College Liaison: \*

Spelman College Department: \*

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**Spelman College: Conflict of Interest**

To avoid conflict of interest, the College will not contract the purchase of property, (intellectual, real or personal), supplies, services, and/or equipment from employees of the College, or their immediate family or members of the Board of Trustees. The College will not contract with any vendor or independent contractor (including subcontractors or sub recipients), expressly including for participation in any federally funded research project, if the vendor or independent contractor does not agree to comply with the College's Conflict of Interest Policy. The purpose of this requirement is to ensure that no one contracting with the College or participating in a federally funded research project with the College has a significant conflict of interest as that term is defined in the Policy that could damage the College or affect the design, data or conclusions of the research project. The link below will connect you to the College's Conflict of Interest Policy.

[Click here](#) to read the Conflict of Interest Policy

[Click here](#) to search database for any covered persons or entities with existing Spelman College relationships.

If no relationship was found during your search click Agree:

[AGREE](#)

If a relationship was found during your search click Agree:

[AGREE](#)

**The Disclosure Form will appear once you Submit the Vendor Profile.**

**(You must answer item 6 or 7 of the Disclosure form prior to submitting: **At least one is required**)**

With the exception of any compensation or reimbursement of expenses that may be authorized by the Board of Trustees with respect to any services to the College, I hereby certify that neither I nor any family member of mine has any Financial Interest or any Conflicting Interest; as such terms are defined in the Conflict of Interest Policy. You must also notify the Director of Administrative Services in writing @ Spelman College/350 Spelman LN SW/Box 1631/Atl.,GA 30314 or email [james@spelman.edu](mailto:james@spelman.edu) if a conflict arises or is discovered during the term of any contract.

It is the policy of the College that any contract entered into as a conflict of interest shall be null and void. Moreover, personnel directly responsible for such transaction will be held personally liable for any resulting losses and/or damages, which may be sustained by the College as a result of such transaction.

By clicking AGREE, your electronic signature certifies your compliance with the College's Conflict of Interest Policy.

[AGREE](#)

[DISAGREE](#)

---

**Spelman College: Indemnification**

"Guest Lecturer/Speaker shall indemnify, defend, release, and hold harmless Spelman College, its trustees, officers, directors, agents, employees, successors and assigns from and against any and all actions, causes of action, claims, liabilities, losses, damages, costs and expenses, including reasonable attorney's fees, for any injuries or damage or loss (real or alleged) received or sustained by Guest Lecturer/Speaker or by any person (including employees of Spelman), persons, or property, arising out of or related to services provided under this Agreement, including, but not limited to, any claims for personal injury, property damage, failure to comply with federal, state or local labor and employment laws, failure to comply with federal, state or local tax laws, or infringement of copyright, patent, or other proprietary right. Notwithstanding the previous sentence, this indemnity and release shall not apply if the injuries or damage or loss (real or alleged) received or sustained by Guest Lecturer/Speaker or by any person (including employees of Spelman), persons, or property, arising out of or related to services provided under this Agreement is the direct result of any negligent or wrongful acts, errors or omissions of Spelman College or its employees or agents. Spelman College makes no representation or agreement as to the taxability or non-taxability of any payment(s) made pursuant to this agreement."

[AGREE](#)

[DISAGREE](#)

Are you a United States Citizen? \*  Yes  No

If no, additional paperwork maybe required before services can be rendered.

I agree that all information contained in this Agreement is true and accurate:  [AGREE](#)

I agree to abide by the terms of this Agreement  [AGREE](#)

It is the policy of Spelman College that the lecturer/speaker obtain a Purchase Order, "PO" before services can be rendered.

This Vendor Profile completed by: \*

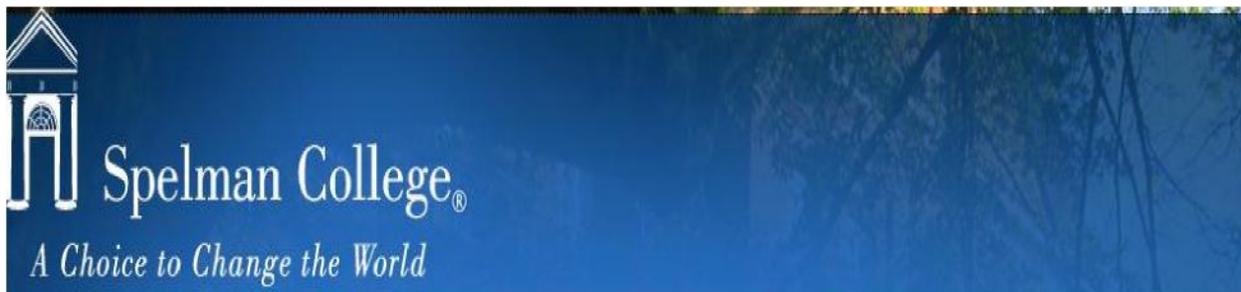
Title: \*

Date completed: 10/28/2013 01:34 PM

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**Exhibit C**

**Spelman College Vendor Profile  
Vendor/Independent Contractor  
Administrative Services**



**Spelman College Vendor Profile  
Vendor / Independent Contractor  
Administrative Services**

\* Required Fields

Rev.20110221-1115

This form should be completed if you are a Vendor or Independent Contractor who is interested in conducting business with Spelman College.

Name of Vendor / Independent Contractor: \*

Federal I.D. or Social Security Number: \*

Please attach W-9: \*  No file selected.

Primary Mailing Address: \*

City: \* State: \* Zip: \*

Sales Contact:

Telephone: \* Fax:

Email: \*

Website Address:

Does your accounts payable address match the primary address above?  Yes  No

If No, Accounts Payable Mailing Address:

City:  State:  Zip:

Accounts Payable Contact:

Telephone:  Fax:  Email:

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### Spelman College: Conflict of Interest

To avoid conflict of interest, the College will not contract the purchase of property, (intellectual, real or personal), supplies, services, and/or equipment from employees of the College, or their immediate family or members of the Board of Trustees. The College will not contract with any vendor or independent contractor (including subcontractors or sub recipients), expressly including for participation in any federally funded research project, if the vendor or independent contractor does not agree to comply with the College's Conflict of Interest Policy. The purpose of this requirement is to ensure that no one contracting with the College or participating in a federally funded research project with the College has a significant conflict of interest as that term is defined in the Policy that could damage the College or affect the design, data or conclusions of the research project. The link below will connect you to the College's Conflict of Interest Policy.

[Click here](#) to read the Conflict of Interest Policy

[Click here](#) to search database for any covered persons or entities with existing Spelman College relationships.

If no relationship was found during your search click Agree:

AGREE

If a relationship was found during your search click Agree:

AGREE

The Disclosure Form will appear once you Submit the Vendor Profile.

(You must answer item 6 or 7 of the Disclosure form prior to submitting: **At least one is required**)

With the exception of any compensation or reimbursement of expenses that may be authorized by the Board of Trustees with respect to any services to the College, I hereby certify that neither I nor any family member of mine has any Financial Interest or any Conflicting Interest; as such terms are defined in the Conflict of Interest Policy. You must also notify the Director of Administrative Services in writing @ Spelman College/350 Spelman LN SW/Box 1631/Atl.,GA 30314 or email [jjames@spelman.edu](mailto:jjames@spelman.edu) if a conflict arises or is discovered during the term of any contract.

It is the policy of the College that any contract entered into as a conflict of interest shall be null and void. Moreover, personnel directly responsible for such transaction will be held personally liable for any resulting losses and/or damages, which may be sustained by the College as a result of such transaction.

By clicking AGREE, your electronic signature certifies your compliance with the College's Conflict of Interest Policy.

[AGREE](#)

[DISAGREE](#)

---

### Spelman College: Trademark/Copyright Statement

To click "AGREE" constitutes your understanding that this profile to become a vendor of Spelman College does not represent an application or request for an approval to sell, market, copy or use the Spelman College name nor its seal, logos or other marks, all of which are registered trademarks.

There is a separate licensing program that one must utilize to seek such approval.

You may contact officials in Business Affairs at the College or contact the Collegiate Licensing Company, Atlanta, Georgia, if you are interested in marketing/selling materials using the name of Spelman College or any of its marks.

[AGREE](#)

[DISAGREE](#)

---

Number of years in business: \*

Type of business: (Check all that apply) \*

- Contractor  Manufacturer  Printing Service  Retailer  
 Food Service Provider  Other  Private Consultant

Please specify other:

Food Permit #:

County of Issuance:

Business Classification: (Check all that apply) \*

- Corporation  Minority-Owned (51% or more)  Small Business (less than 500 employees)  
 Joint Venture  Non-Profit  Sole Proprietor  
 Large Business (more than 500 employees)  Partnership  Woman-Owned (51% or more)

Is your company a member of the Better Business Bureau (BBB)?  Yes  No \*

Are you registered with Dunn & Bradstreet (D&B)?  Yes  No \*

If yes, D&B Number:

List two(2) current organizations, preferably Educational, to use as references. *At least one is required.*

Organization	Contact Name, Title	Telephone
*First Organization: <input type="text"/>	*Contact: <input type="text"/> *Title: <input type="text"/>	* <input type="text"/>
Second Organization: <input type="text"/>	Contact: <input type="text"/> Title: <input type="text"/>	<input type="text"/>

Attach a PDF or MS Word document of your condensed catalog, line card, price list, etc.

No file selected.

Attach an additional file, if needed.

No file selected.

This Vendor Profile completed by: \*

Title: \*

Date completed: 10/28/2013 01:41 PM

I agree that all information contained in the Vendor Profile is true and accurate.  AGREE

**It is the policy of Spelman College to obtain a Purchase Order "PO" before services are rendered.**

Changes to this profile information should be submitted to Spelman College

Office of Administration Support Services

Fax: 404-270-5117

email: [purchasing@spelman.edu](mailto:purchasing@spelman.edu)

This profile is printer friendly.

Exhibit D

Electronic Banner Requisition

Oracle Developer Forms Runtime - Web: Open > FPARQON

File Edit Options Block Item Record Query Tools Help

Requisition Entry: Requisition/Delivery Information: FPARQON 8.3 (PROD)

Requisition: NEXT  
Order Date: 14-DEC-2009 Transaction Date: 14-DEC-2009  In Suspense  
Delivery Date:  Comments:   Document Text  
Commodity Total: 0.00 Accounting Total: 0.00  Document Level Accounting

Requisition/Delivery Information Vendor Information Commodity/Accounting Balancing/Completion

Requestor: Jacqueline James  
Organization:   
COA: 6 Spelman College  
Email: james@spelman.edu  
Ship To: JACKSS  
Street Line 1: 350 Spelman Ln, SW  
Street Line 2: Box 1631, Room L101-A  
Street Line 3:   
Building: Rockefeller Floor:   
City: Atlanta  
State or Province: GA Zip or Postal Code: 30314  
Nation:   
Area Code Phone Number Extension  
Phone: 404 2705111  
Fax:   
Contact: Yvonne Jackson  
Attention To: Yvonne Jackson  
Area Code Phone Number Extension  
404 2705112 5112

Enter name for Attention-to label on Ship-to address.  
Record: 1/1 <OSC>

start dashboard@6 - IBM L... P&P1209 [Compatibil... Spelman College - Ba... Oracle Developer For... Search Desktop 9:36 AM

**Exhibit E**

**Purchase Order Example**



**Spelman College**

Procurement Services  
350 Spelman Lane S.W.  
Box 1631  
Atlanta, GA 30314-4399  
404-681-3643

**PURCHASE ORDER**

PURCHASE ORDER NO. **PO068713**

Date: 10/22/10

Vendor: Film Capture Productions, Inc.  
3492 Forest Trail Circle  
Jonesboro GA 30238-6728

This purchase order number must appear on all invoices, packages, lading and correspondences.

Mail original and two copies of all invoices to:

SPELMAN COLLEGE  
Accounts Payable Department  
350 Spelman Lane S.W.  
Box 1108  
Atlanta, GA 30314-4399

Vendor Code: FILM CAPT  
6782160314@rcfex.com

PAYMENT TERMS: NET 30

Ship To: Dr. Anita Bernard  
350 Spelman Ln., SW  
Cathy Center  
Box 1631, Room 271  
Atlanta GA 30314

F.O.B:

SHIP VIA:

NOTE: SEE TERMS AND CONDITIONS ON THE BACK

DELIVERY DATE: 10/22/10

DELIVERY: 9:30 a.m. - 4:30 p.m. Mon.-Fri. 24 hour notice for large deliveries is recommended. Please call 404-270-5116 to schedule.

Item	Description	Quantity/UM	Unit Price	Total
	PLEASE REFERENCE PO# ON ALL INVOICES/PACKING SLIPS CONFIRMATION ONLY-DO NOT DUPLICATE			

PO068713 Film Capture Productions, Inc.

*Exhibit F*

***Motor Coach Policy***



**Spelman College**

**MOTOR COACH POLICY**

Spelman College has partnered with and identified motor coach vendors and ground transportation vendors (Limousine, mini bus, etc.) that meet or exceed all insurance requirements of our insurance carrier and the offices of the Vice President of Financial Affairs and Treasurer and Administrative Services.

It is Spelman's policy that all Spelman departments and Spelman student groups use licensed motor coach vendors for transportation. Anyone that is not a Spelman College student or Spelman College employee is NOT covered under the Spelman College insurance policy.

It is policy to generate a requisition and acquire a purchase order before the trip. Vendors on the attached list will not proceed with the travel without a Spelman College purchase order. The only exception to this policy is travel via rentals.

If you should have any questions regarding Spelman's Motor Coach Policy, please call **Administrative Services at (404) 270-5115**.

6/11

*Exhibit G*

**Product Licensing Policy**



Spelman College

**Product Licensing Policy**

Spelman College has partnered with Collegiate Licensing Company (CLC) to manage and maximize its licensing program. The Office of the Vice President of Financial Affairs and Treasurer oversees Spelman's contract with CLC.

All vendors that use Spelman's trademarks on merchandise (including t-shirts, caps, and all other saleable products) must be licensed. Vendors, who have access to the institution's official digitized logos, are required to obtain approval through the licensing program on all designs and products that are produced bearing the College trademarks. CLC has licensed many local and national vendors for the production of Spelman merchandise.

It is Spelman's policy that all departments and student groups use licensed vendors when purchasing products bearing the Spelman name or other associated marks. Spelman's licensees adhere to the College's licensing requirements by submitting all designs for approval.

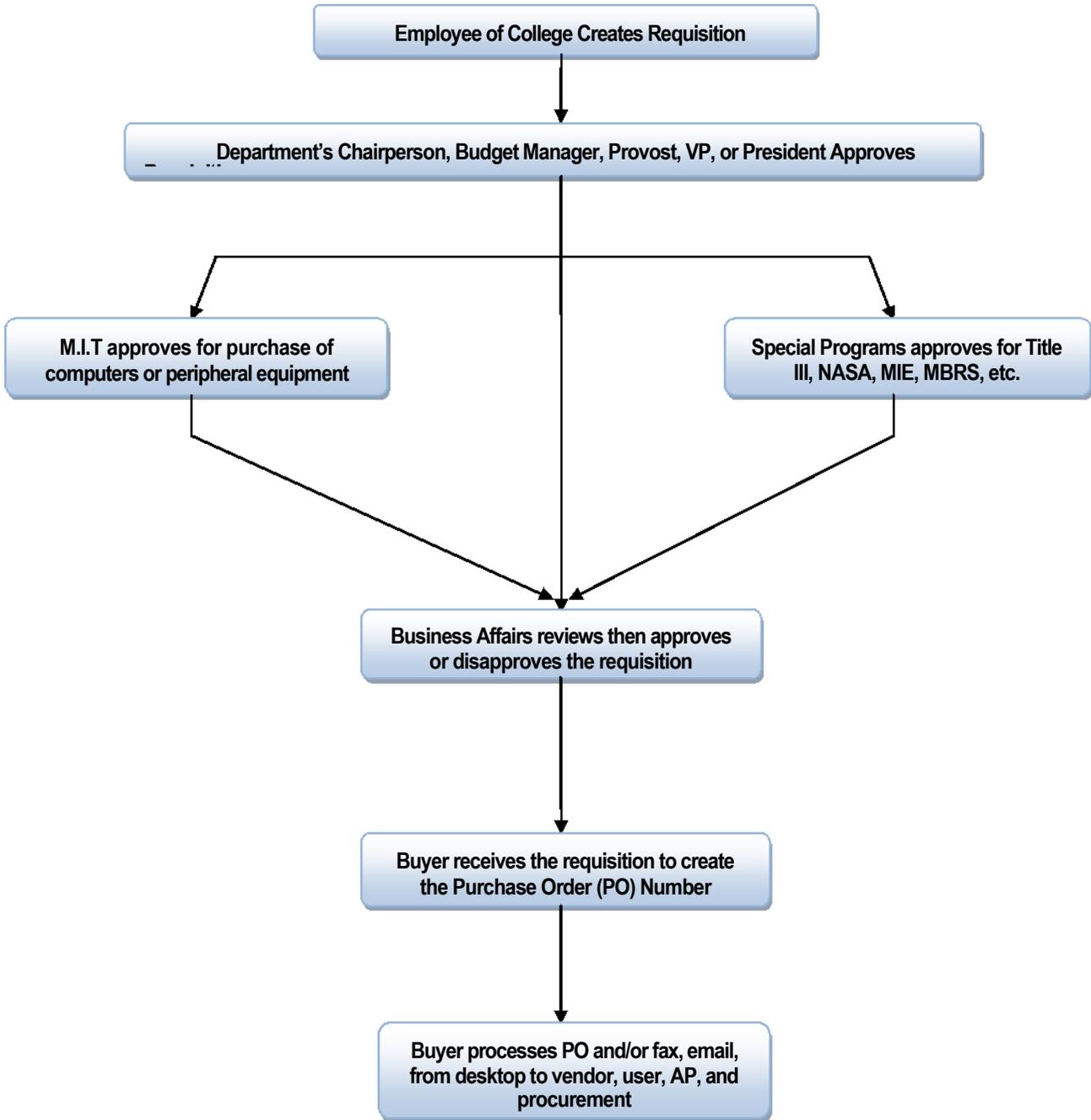
All purchases for internal consumption or free distribution (i.e., products purchased for the exclusive use of a Spelman department or student group that are not resold for profit) are exempt from royalty obligations. All products, including those products for internal consumption or free distribution, must be purchased from a licensed vendor and all designs must be submitted by the vendor for approval.

If you should have any questions regarding Spelman's trademark licensing program and its policies, please call **Administrative Services at (404) 270-5111**. If you need assistance in locating licensed vendors, please contact **Administrative Services at (404) 270-5113**.

7/09

Exhibit H

Flowchart for the Procurement of Goods & Services



**Note:** If request is disapproved at any stage in the process, the requisition is returned to the requestor.

*Exhibit I*

**Resource List**

**SPELMAN COLLEGE**

**Division of Business and Financial Affairs**

**ADMINISTRATIVE SERVICES**

**Resource Extensions**

**Director**

**404-270-5111**

**Procurement Manager**

**404-270-5113**

**Mail Center Manager**

**404-270-5858**

**Administrative Services Coordinator**

**404-270-5112**

**Buyer**

**404-270-5116**

**Project Coordinator**

**404-270-5115**

**Copy Services**

**404-270-5114**

**Telecommunications Operator**

**Ext 0**

***Questions regarding the check request process, contact the Controller's Office at 404-270-5153.***

**Exhibit J**  
**Independent Contractor Agreement**



**Spelman College®**  
*A Choice to Change the World*

This Agreement dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ is between Spelman College, 350 Spelman Lane, Atlanta, Georgia 30314, (hereinafter referred to as the "College") and \_\_\_\_\_

\_\_\_\_\_ whose address for notices is \_\_\_\_\_

\_\_\_\_\_, an independent contractor, hereinafter referred to as the "Contractor," whose Federal Employer Identification Number is: \_\_\_\_\_.

In consideration of the mutual promises contained herein, the College and Contractor agree as follows:

Article 1 - Services: The Contractor's responsibility under this Agreement is to provide professional services as set forth in the Scope of Work detailed in Attachment "A" to this Agreement.

Article 2 – Schedule: The Contractor shall commence services on \_\_\_\_\_, 20\_\_\_\_ and complete all services by \_\_\_\_\_, 20\_\_\_\_.

Article 3 – Payment:

A. The total amount to be paid by the College under this agreement for services and "out of pocket" expenses shall not exceed \_\_\_\_\_ Dollars (\$\_\_\_\_\_) without written modification to this Agreement. The Contractor will bill the College in accordance with the payment schedule set forth in Attachment "A" to this Agreement only for services rendered toward the completion of the Scope of Work. The College shall have no obligation to pay the Contractor until the Contractor submits reasonable evidence, in a manner satisfactory to the College, of completion of the work for which it is being billed. The College will not be obligated to pay for services billed but not rendered.

B. The College will reimburse Contractor within 30 days after receipt of a written invoice to the College with appropriate documentation of work performed. Invoices must reference the current purchase order number.

C. "Out-of-Pocket" expenses will be reimbursed up to an amount not to exceed \$\_\_\_\_\_, and in accordance with the list of the types of expenditures eligible for reimbursement as outlined on Attachment "A" of this Agreement. All requests for payment of "out-of-pocket" expenses eligible for reimbursement under the terms of this Agreement shall include copies of paid receipts, invoices or other documentation sufficient to establish that the expense was actually incurred and necessary in performance of the Scope of Work described in Attachment "A" of the Agreement.

D. Agreements that will pay the Contractor \$1000.00 or more will require fully executed signatures as detailed before the Agreement can be approved.

Article 4 – Independent Contractor Relationship: The Contractor is, and shall be, in the performance of all work services and activities under this Agreement, an Independent Contractor, and not an employee or agent of the College. All persons engaged in any of the work of services performed under this Agreement shall at all times, and in all places, be subject to the Contractor's sole direction, supervision, and control. The Contractor shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the Contractor's relationship and the relationship of its employees to the College shall be that of an Independent Contractor and not as employees or agents of the College. The Contractor does not have the power or authority to bind the College in any promise, agreement, or representation other than specifically provided for in the Agreement.

**Individuals who are currently employed or who have been employed by the College within the past 12 months as staff, faculty, or student workers cannot be paid as independent contractors. These Individuals would have to be treated as employees.**

**DO NOT COMPLETE OR SUBMIT THIS FORM FOR APPROVAL IF THE AFOREMENTIONED APPLIES.**

Article 5 – Liability: The Contractor shall not commence work under this Agreement until it has shown proof of the following (minimum) insurance requirements.

Comprehensive General Liability Insurance (Minimum limit of \$1,000,000)  
Workmen’s Compensation Insurance in an amount adequate to cover legal requirements for all its employees in accordance with laws of the State of Georgia

Article 6 – Indemnification: The Contractor shall indemnify and save harmless and defend the College, its agents and employees from and against all claims, liability and loses, which may arise from any act or omission of the Contractor, its agents, or employees in the performance or services under this agreement.

**ATTACHMENT “A” TO INDEPENDENT CONTRACTOR AGREEMENT**

Requisition Number: \_\_\_\_\_

**1. CONTRACTOR:**

\_\_\_\_\_  
(NAME)

\_\_\_\_\_  
(STREET)

\_\_\_\_\_  
(CITY, STATE, ZIP CODE)

Telephone #: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

**II. Scope of Work: Attach additional pages (including PO reference) if necessary \_\_\_\_\_**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**III. Rates and/or Payment Schedule \_\_\_\_\_**

\_\_\_\_\_  
\_\_\_\_\_

“Out-of-Pocket” Expenditures are restricted to the following expense item: \_\_\_\_\_

**IV. Key Personnel Assigned to Project (Resumes may be required in some instances):**  
\_\_\_\_\_ SSN/ID# \_\_\_\_\_

(Print)

\_\_\_\_\_  
SSN/ID#  
(Print)

\_\_\_\_\_  
SSN/ID#  
(Print)

Contractor's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Spelman Representative: \_\_\_\_\_ Date: \_\_\_\_\_

Article 7 – Confidentiality: All business information or other confidential or proprietary information that may come into the possession of the Contractor while performing work under this agreement shall be treated as confidential. Contractor agrees to take strict precautions against disclosure of such information to third parties during and after the term of the agreement. This obligation of confidentiality shall survive for 5 years following the completion of Contractor's services.

Article 8 – Ownership of Work Product: All right, title, and interest in and to any invention, work product, idea or creation conceived, developed or produced during the performance of services under this Agreement (including but not limited to creative, copy, scripts, story boards, writing, copyrights, trademarks, art, music, software and documentation, business systems or ideas, and research projects) shall be property of the College whether created individually by the Contractor or jointly with the College, on or off premises. Contractor also warrants that all material, including musical, literary or artistic work that is furnished to the College pursuant to this Agreement may be used and reproduced for any purpose whatsoever, including advertising, promotion and trade purposes, without violating the personal or property rights or any persons and without infringing any copyright, trademark or patent.

The Contractor hereby assigns to the College any and all rights, title and interest in work performed by the Contractor under this Agreement, and to any proprietary rights and intellectual property rights in such work.

Article 9 – Termination: This agreement may be terminated with thirty (30) days' prior written notice to the other party at the appropriate address given above, or designated by a party in writing. In the event of such a termination, the Contractor shall be paid for all proper work performed up to the termination date.

Article 10 – Record Retention and Access:

Any and all records pertaining to the contracted project (i.e. invoices, receipts, intellectual property, etc), must be readily accessible to the Contractor and retained three (3) years after the end of the contract. If this contract is funded by federal dollars, pursuant to federal regulations, all records must be additionally readily accessible to the granting agency.

This agreement shall be governed and construed under the laws of the State of Georgia.

I have read this agreement prior to signing:

CONTRACTOR

SPELMAN COLLEGE

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Budget Manager

\_\_\_\_\_  
(Vendor Name)

\_\_\_\_\_  
Provost/Div. VP

\_\_\_\_\_  
(Vendor Address)

\_\_\_\_\_  
Administrative Services

\_\_\_\_\_  
(Vendor City, State & Zip Code)

\_\_\_\_\_  
VP or Assoc. VP for Business and Financial Affairs

FOR INTERNAL USE ONLY

**Spelman College**  
**Independent Contractor Checklist**

Mistakenly classifying an employee as an independent contractor can result in significant fines and penalties by the IRS. There are 20 factors used by the IRS to determine whether you have enough control over a worker to be an employer. Though these rules are intended only as a guide, the IRS says the importance of each factor depends on the individual circumstance. These tips should be helpful in determining whether you wield enough control to show an employer-employee relationship. If you answer “Yes” to all of the first four questions, you are probably dealing with an independent contractor; “Yes” to any of questions 5 through 20 means your worker is probably an employee.

- Yes  No  **1. Profit or loss.** Can the worker make a profit or suffer a loss as a result of the work, aside from the money earned from the project? (This should involve real economic risks not just the risk of not getting paid.)
- Yes  No  **2. Investment.** Does the worker have an investment in the equipment and facilities used to do the work? (The greater the investment, the more likely independent contractor status.)
- Yes  No  **3. Works for more than one firm.** Does the person work for more than one company at a time? (This tends to indicate the independent contractor status, but is not conclusive since employees can also work for more than one employer.)
- Yes  No  **4. Services offered to the general public.** Does the worker offer services to the general public?
- Yes  No  **5. Instructions.** Do you have the right to give the worker instructions about when, where, and how to work? (This shows control over the worker.)
- Yes  No  **6. Training.** Do you train the worker to do the job in a particular way? (Independent contractors are already trained.)
- Yes  No  **7. Integration.** Are the worker’s services so important to your business that they have become a necessary part of the business? (This may show that the worker is subject to your control.)
- Yes  No  **8. Services rendered personally.** Must the worker provide the services personally as opposed to delegating tasks to someone else? (This indicates that you are interested in the methods employed and not just the results.)
- Yes  No  **9. Hiring Assistants.** Do you hire, supervise, and pay the worker’s assistants? (Independent contractors hire and pay their own staff.)
- Yes  No  **10. Continuing relationship.** Is there an ongoing relationship between the worker and yourself? (A relationship can be considered ongoing if services are performed frequently, but irregularly.)
- Yes  No  **11. Work hours.** Do you set the worker’s hours? (Independent

contractors are masters of their own time.)

- Yes  No  **12. Full-time work.** Must the worker spend all of his or her time on your job? (Independent contractors choose when and where they will work.)
- Yes  No  **13. Work done on premises.** Must the individual work on your premises, or do you control the route or location where the work must be performed? (Answering no does not by itself mean independent contractor status.)
- Yes  No  **14. Sequence.** Do you have the right to determine the order in which services are performed? (This shows control over the worker.)
- Yes  No  **15. Reports.** Must the worker give you reports accounting for his or her actions? (This may show lack of independence.)
- Yes  No  **16. Pay Schedules.** Do you pay the worker by hour, week, or month? (Independent contractors are generally paid by the job or commission; although by industry practice, some are paid by the hour.)
- Yes  No  **17. Expenses.** Do you pay the worker's business or travel costs? (This tends to show control.)
- Yes  No  **18. Tools and materials.** Do you provide the worker with equipment, tools, or materials? (Independent contractors generally supply the materials for the job and use their own tools and equipment.)
- Yes  No  **19. Right to fire.** Can you fire the worker? (An independent contractor cannot be fired without subjecting you to the risk of breach of contract lawsuit.)
- Yes  No  **20. Worker's right to quit.** Can the worker quit at any time without incurring liability? (An independent contractor has a legal obligation to complete the contract.)

**These rules are subject to change without notice from the Internal Revenue Service and U.S. Department of Treasury.**

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**BUDGET MANAGER**

**FOR INTERNAL USE ONLY:**

**SUBMIT ONE COPY WITH THE EXECUTED ICA**

**Sole Source Justification Document**



**Spelman College®**

*A Choice to Change the World*

**SOLE SOURCE JUSTIFICATION DOCUMENT**

**Definition**

A sole source vendor is identified as a vendor that can provide products/services due to their uniqueness that other vendors cannot. It is not to be used to avoid competition. Sole source means the one and only source for the product or service.

Please complete and submit this document when submitting requisitions for sole source purchases of goods/services: Document submittal does not guarantee sole source approval.

Vendor Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Is this vendor the manufacturer of the product or service?      Circle Yes    or    No  
If no, is it available from more than one vendor?              Circle Yes    or    No

Provide the manufacturer, model number, and identify the features or characteristics that are unique to the requested good(s) or service(s), also identify the special and/or unique qualifications of the individual/company and the reason such qualifications are relevant and necessary.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Briefly explain the need for the unique features or characteristics. (This explanation must address the critical importance of the unique features or characteristics as it applies to its intended use and/or purpose in your operation.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



*Exhibit L*

**The Check Request Process**

**Check Request**

Check Requests are used to request payments for any goods, services, or other miscellaneous payments that are not covered by a purchase order. Check Request must be approved by the department head or delegate. Heads of departments and administrative units may not approve their own Check Requests. Approval of a Check Request indicates that authorized goods and services were received or an authorized service or travel was performed or completed. The approval authorizes the Controller's Office to pay vendors for goods or services received, reimburse employees, and charge the accounts indicated, provided funds are available. Additional approvals may be necessary when grant funds are being utilized. Appropriate supporting documentation includes original receipts for items purchased, and original invoices for payment.

Because Spelman College operates on a purchase order system, all requests for goods and services must be transacted through the purchase order process. The check request method of payment will be limited to the College's weekly and/or monthly obligations such as utilities, dues and subscriptions, salary and travel advances, and expense reimbursements. Expenditures for goods and services submitted on a Check Request form, which should have been purchase through the purchase order process, will be returned to the requester. All Check Requests will be systematically processed. If the check request is denied by any authorizing personnel, the Check Request will be returned to the requester along with an explanatory letter.

The process for submitting a check request is outlined below:

1. The requester must check the availability of funds for payment of a Check Request prior to submitting the Check Request to the Office of the Controller, Accounts Payable Office. If the system indicates funds are not available, the Check Request will be returned to the sender indicating that funds are not available.
2. To be processed expeditiously, a Check Request must be completed accurately. Each completed Check Request form must contain the following:
  - Budget Code
  - Requester's name, phone extension, and campus mailbox number
  - Remittance address
  - 
  - Social security number for individuals being paid by the College
  - Approval of department's chairperson or appropriate personnel
  - Check the appropriate boxes for check distribution.

## *Exhibit M*

# **Research Participant Incentive Payments Policy**

## **Overview**

This procedure addresses the method to disburse cash payments to persons participating in research studies or surveys. Such research studies/surveys must be pre-approved by the Institutional Review Board, approved by the grantor (if externally funded) and Spelman College. These individual payment amounts should not exceed \$100. Participant payments must be detailed in the grantor approved budget, if externally funded.

Participants receiving an incentive payment of \$100 or less are not required to provide his/her social security number, unless the Principal Investigator anticipates that the participant will receive subsequent incentive payments that will total \$600 or more during the calendar year.

## **Confidentiality Considerations:**

If a study is designed in a manner that restricts information (e.g., a study participant's name and other identifying information) to the Principal Investigator (PI) or to a research team member responsible for disbursing the cash, then proof of disbursement should include any other allowable identifier such as subject number.

## **Requesting Funds to Pay Study or Survey Participants**

In order to request the funds to provide participants with a cash payment, please complete a check request form. The check request form must be approved by the PI/Budget Manager and the Principal Investigator/Budget Manager's supervisor. Additionally, the following information should be included with the check request form:

- Location of research
- date of human research study participant survey, participation, or interview
- amount of each disbursement and number of participants; and
- any other information pertinent to the funding

The Controller's Office must approve the check request form and is responsible for:

- Ensuring the required information and appropriate signatures are included on all forms requesting participant cash payment;
- Ensuring the research study associated with the request has remuneration specified in the budget of the funding source being charged, and approval of the Office of Budgets and Contracts.

The disbursement is considered and treated as an advance to the employee receiving the funds. Each advance for each study must be separately accounted for, monitored, and reconciled. There should not be any commingling of advances among Principal Investigators.

The PI/Budget Manager receiving the funds is responsible for:

- safeguarding the funds until they are distributed;
- not commingling personal funds with the cash disbursed for participant payment
- issuing cash to study participants
- maintaining appropriate supporting documentation verifying participation in the study for each participant's payment (e.g., signature log including amount disbursed and study participants identified to the extent possible)
- timely depositing of unused funds to the Cashier's Office and attaching receipt to the supporting documentation, which is to be submitted to the Accounts Payable Office for reconciliation. Unused funds must be returned to the Cashier's Office within seven business days of the completion of the study.

The Accounts Payable Office will contact PI/Budget Managers to reconcile, clear or close outstanding advances. Only one advance can be outstanding at any given time.

### **Tax Information**

Payments made to study participant may be considered taxable income to the participant.

For non-confidential participants, if the total paid by Spelman College to a U.S. study participant during a calendar year is \$600 or more, the College is required to provide the participant with an Internal Revenue Service (IRS) Form 1099-MISC, Miscellaneous Income. The College is required to report all payments to a participant who is neither a U.S. citizen, U.S. permanent resident or resident alien, on an IRS Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding; such payments may be subject to federal income tax withholding. Please contact the Controller's Office for information regarding documentation requirements, as well as withholding and reporting for individuals who are neither U.S. citizens, permanent residents or resident aliens.

*Exhibit N*  
**DISPOSITION OF FIXED ASSETS**

**Disposition of Assets – Movable Equipment**

The Controller's Office is responsible for changing the status of records when the disposition of assets occurs. In general, surplus or obsolete equipment may be disposed of by transferring to another department, discarding/scrapping, trading-in, donating, or selling the asset. When selling, donating, trading-in or discarding/scrapping of assets, the department responsible for the asset must complete the Property Movement Form (**located on the Lotus Notes Dash Board under the Business & Financial Affairs Category - Controller's Office Applications – Submit a New – Inventory Change**). This form should be sent to the Controller's Office as notification to dispose of the asset. The Associate Vice President for Business and Financial Affairs **must approve the disposition of the asset by signing the Property Movement Form and returning it to the Controller's Office. The Controller's Office will retain a copy and send a copy of the form back to the department with the appropriate signatures so that they may proceed with the disposition.**

When disposing of assets, the College reserves the right to determine the method of disposal. In determining the method of disposal, the College will take various factors into consideration, including, but not limited to, the age, condition and the nature of the assets being disposed of. The College, at its option, will dispose of assets either through a bidding process, with a minimum of 2 bids being solicited or a general sale where the College reserves the right to establish a minimum price for the assets.

Upon completion of all dispositions, the department responsible for the asset must submit documentation confirming the disposal including a description of the asset, disposal date, sale/trade-in value, and any other pertinent details. Disposing of an asset requires removing the asset's net book value from the accounting records. This involves removing the original cost and the accumulated depreciation of the asset. Any difference between the proceeds received and

the net book value represents a gain or loss on the disposal of the asset which will be recorded by the Controller's Office upon completion of the disposition.

### **Movement of Assets – Movable Equipment**

In the event an asset is to be moved from one location to another or from one department to another a Property Movement Form must be completed and submitted to the Controller's Office. Once the form has been received by the Controller's Office, the College's fixed asset records will be updated with the change. Submitting this form will ensure that inventory listings provided to the Departments are accurate.

### **PP&E Custodian's Responsibilities**

Each department head has direct responsibility for PP&E used by their respective department.

- a) Each department head is responsible for the accuracy of the property records. This includes reporting any location change, planning and obtaining proper maintenance, and creating the annual capital budget for the department.
- b) Each department will implement adequate safeguards to prevent loss, damage or theft of assets. Any loss, damage or theft of assets shall be investigated and fully documented. Stolen equipment should be reported to the College's Public Safety Department immediately. A copy of the police report detailing the theft should be sent to the Controller's Office. If the federal government owned the asset, the Controller's Office shall promptly notify the federal awarding agency.
- c) Adequate maintenance procedures are required to keep all assets in good condition.
- d) The use of College equipment by individuals or organizations for activities not directly connected with the College is prohibited. College owned or controlled equipment shall not be removed from the College's premises except in cases where such equipment is to be used in the line of official duty.
- e) The use of College vehicles is restricted to official College business.

## **Purchasing Department Responsibilities**

Each individual item, purchased and valued at \$5,000 and above, will be logged and tagged by the purchasing department.

## **Controller's Office Responsibilities**

The Controller's office will maintain the inventory of all moveable and stationary equipment and real property for which the College is accountable. The fixed asset records shall be maintained accurately and shall include the following information:

- a) A description of the property and equipment
- b) Manufacturer's serial number, model number, Federal stock number, national stock number or other identification
- c) Source of the property and equipment, including the award number (grant)
- d) Whether title vests with the College or the Federal government
- e) Acquisition date
- f) Purchase price or acquisition cost
- g) Location and condition of the property and equipment and the date the information was reported
- h) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensated the federal awarding agency for its share
- i) Property class such as building, equipment, vehicle, computer etc.
- j) Method of depreciation. The College generally uses the straight-line method of calculating the depreciation.

## **Federal Guidelines**

The Federal Government and its agencies have established guidelines for both Government-owned property and property acquired with federal funds, whether titled with the government/agency or with the College.

## **Assets Purchased with Federal Funds**

All equipment purchased with Federal funds must be necessary and reasonable for proper and efficient accomplishment of project or program objectives. In addition, the Department Head/Principal Investigator is responsible to ensure that duplicate or unnecessary purchases are avoided. Award documents may include clauses that specify both the authorization required for purchasing equipment and with whom the title vests.

Contractual agreements governing some grants or contract funds and acquisitions from federal grants require the capitalization of items not meeting the College's property guidelines. In this case, the agreement conditions of the grant will prevail over the College policy.

## **Control Procedures**

In addition to the normal control procedures required for College-owned property, the following controls are required for Federal-owned property:

1. Federal-owned property must be carefully monitored and in many cases reported annually.
2. In addition, Federal property shall be identified, tagged and recorded during the receiving process to indicate federal ownership.
3. Property records systems must contain the prescribed data categories as established by Federal Acquisition Regulation (FAR) 45.505.
4. Movement of Federal property must be documented so that records are updated to show changes in quantities and location.
5. Inventories of Federal property shall be performed at least once per year, based on the requirements of the award documents.

## **Disposal/Transfer of Federal-Owned Assets**

At the completion of a grant or contract, disposition of all Federal-owned property acquired for the grant or contract must occur. It is possible that the property may be sold, transferred to be used by another grant at the College, or title may be transferred to the College. The appropriate

Federal agency personnel must approve any transfer of Federal-owned property before the transfer occurs. In addition, when required, the appropriate transfer forms should be completed. Where the College is authorized or required to sell the equipment, proper sales procedures shall be established which provide competition to the extent practicable and result in the highest possible return to the Government.

If the College needs to use the equipment for non-federal contracts, then the College shall reimburse the Federal agency for amounts, as they would pay for non-federal contracts.

If the College does not have a need for the equipment, then this shall be reported to the awarding agency. The College may be instructed to ship the equipment to another entity, dispose of the equipment, or transfer title to the federal government or to a third party.