

# New York University

*A private university in the public service*

University Operations & Administration

Purchasing Services

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Date: Summer 2007  
To: University Community  
From: John Jagard  
Subject: Purchasing Policies and Procedures Manual  
Eleventh Edition

This Policies and Procedures Manual has been prepared to provide information about the University's purchasing requirements and Purchasing Services. Its various sections address the responsibilities of the Requisitioner, the Procurement Officer, and the Recipient of purchased products and services. The procedures also cover the use of i-Buy, Purchasing Card (\$2500 limit) and Small Dollar Orders (\$1000 limit), all decentralized systems for handling low-dollar purchases. i-Buy is an electronic marketplace that integrates with Purchasing Services' e-Requisitioning System to provide an on-line shopping experience with selected NYU suppliers.

From time to time procedures will be added and/or deleted, and others updated. You should also refer to the University's Business Expense Policy located on the Controller's Division website at [www.nyu.edu/cdv](http://www.nyu.edu/cdv) for details of NYU's standard finance policies.

If you are connected to NYU-NET or NYU Home (Work Tab), you can connect to the Purchasing Services Home page located at [www.nyu.edu/purchasing.services](http://www.nyu.edu/purchasing.services). The Purchasing Services home page offers quick access to a variety of information including i-Buy, NYU Purchasing Policies and Procedures, Who's Who, What's New, Key Suppliers, Forms, Frequently Asked Questions and much more.

Purchasing Services also publishes an electronic newsletter entitled Dollars & Sense that focuses on announcing new agreements, new procedures and other items of interest to the University Community.

If you would like to visit the Purchasing Services office and/or need additional information on the policies and procedures described in this manual, please contact our office for an appointment.

SUBJECT:

## **ORGANIZATION OF POLICIES AND PROCEDURES MANUAL**

APPLIES TO ALL DEPARTMENTS

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SUBJECT:

## **PURCHASING POLICY - GENERAL**

APPLIES TO ALL DEPARTMENTS

Purchasing Services (a department within the Senior Vice President of Operations and Administration), with the exceptions noted hereafter, has been given the responsibility by the Trustees of New York University to purchase goods and services on behalf of the University which includes the selection of supplier, negotiation of price and assurance of quality and delivery. It is also responsible for the development of standards, specifications, materials and systems, in conjunction with the user departments. Purchasing Services is additionally responsible for advising user departments on the availability and value of materials and services in the marketplace. Purchasing Services functions as an agent for the University and is considered fiduciary.

Purchasing Services' mission is to directly support the University's educational, environmental and administrative needs, by assisting faculty and staff to obtain high quality products and services at the lowest cost possible and in a timely manner, by using best business practices and professional ethics. The University encourages competition among suppliers in providing goods and services to the University, thereby assuring that the mix of quality, service and price best matches the stated needs of New York University's programs and activities. This Purchasing Policies and Procedures Manual has been developed to provide guidance to departmental personnel on the proper procedures to follow when an acquisition is deemed necessary and to assist NYU personnel in their procurement related activities. Any goods and/or services purchased with University funds or University-managed funds (i.e. Sponsored Research Accounts) are bound by the policies and procedures included in this manual.

NYU Purchasing Services is obligated by federal regulations to maintain a formal procurement system. Its purchasing files are subject to audit by federal agencies and must include proper documentation (i.e. purchase orders, contract negotiations, bid awards, sole source justifications, etc.). Each school and administrative unit is required to submit a Purchase Requisition to Purchasing Services prior to the purchase of products and services exceeding \$1000 per order, unless another authorized mechanism such as i-Buy, the Purchasing Card or as outlined in the NYU Business Expense Policy is used. Suppliers providing products and services, exceeding \$1000, without the benefit of a Purchase Order or authorized mechanism may never receive payment.

In general, Purchasing Services does not have responsibility in the following areas: the purchase of products and services for the NYU Medical Center; the purchase, sale, or lease of real estate, which is handled by the Real Estate Department; the design, construction, or alteration of the physical plant, which is handled by the Office of Construction Management (OCM) and the procurement of books and periodicals for the University Library. Purchases totaling \$2500 and less are handled directly by individual departments via Purchasing Card and purchases totaling \$1000 and less are handled through Small Dollar Orders directly by individual departments. Generally, purchases totaling less than \$300 are not processed by Purchasing Services unless via i-Buy.

New York University is exempt from sales tax in certain states including New York State. A tax exemption certificate is available from Purchasing Services or the Controller's Office, and should be used in conjunction with any purchase made by the University.

All contracts or agreements associated with a Purchase Order must be signed by Purchasing Services. Individual Departments or schools are not permitted to sign contracts or agreements on behalf of the University. Contracts, proposals or letters of intent that are signed and returned to suppliers directly by a department may be disclaimed by the University and may lead to legal liability in the event they lack appropriate contractual safeguards.

SUBJECT:

## **STANDARDS AND ETHICS**

APPLIES TO PURCHASING SERVICES

Purchasing Services subscribes to the following standards and ethics.

1. To consider first the interests of New York University in all its transactions and to carry out and believe in its established policies and objectives.
2. To buy without prejudice, seeking to obtain the maximum ultimate value for each dollar of expenditure; recognizing that value represents a combination of quality, service and price.
3. To be receptive to competent counsel from colleagues and to be guided by such counsel without impairing the dignity and responsibility of the position.
4. To accord a prompt and courteous reception, so far as conditions will permit, to all who call on a legitimate business mission.
5. To demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement or a sample of the product.
6. To avoid sharp practice and be willing to submit to arbitration on any major controversies.
7. To cooperate with trade and industrial associations, governmental and private agencies, engaged in the promotion and development of sound business methods.
8. To counsel and assist fellow procurement officers in the performance of their duties, whenever occasion permits.
9. University policy strictly prohibits the receipt of any gifts, gratuities, premiums or other incentives by all employees under any circumstances. We prefer that incentives be expressed in acceptable business terms, e.g., quality, service and price.
10. To receive no bribes, in the form of money or otherwise, and to denounce all forms of bribery.
11. To abide by the Conflict-of-Interest Policy, adopted by the Board of Trustees of New York University May 5, 1980 as Amended through September 15, 1980.

SUBJECT:

## **BUY, LEASE, RENT**

APPLIES TO PURCHASING SERVICES

The decision to buy, lease or rent is made on an individual case basis. The factors considered are purchase price, maintenance/service costs, life expectancy of equipment, obsolescence, cash flow, interest rates and funding source.

The vast majority of the University's equipment is purchased outright; therefore the lease of an item is the exception. The decision to lease with capital funds is determined by the Finance-Budget Office. The decision to lease with expense funds is determined by the individual school or administrative unit budget center manager with advice from Purchasing. In general, equipment costing less than \$100,000 would not be leased.

Where the duration of need is highly questionable or known to be very short, items may be rented. This would apply to such items as copiers, personal computers for temporary use, equipment for special events and the like.

SUBJECT:

## **PURCHASING SERVICES FILES AND LOGS**

APPLIES TO ALL DEPARTMENTS

Various records are maintained in Purchasing Services for efficient performance of procurement functions. Most of these records are maintained electronically on the e-Requisitioning System. Paper files, for common use, are maintained centrally to provide ready access for all Procurement Officers and other Purchasing Services personnel.

The use of these records is explained in the various Policy and Procedure Manual sections.

### **Operations**

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Maintain the following records:

**1. Purchase Requisition Log**

Electronically transmitted requisitions are recorded automatically. Paper Requisitions (School of Medicine only) are typed and scanned into e-Requisition System. Information includes:

- a) Inquiry Number
- b) Date of Receipt
- c) Order Number

**2. Procurement Package**

This file is maintained electronically and physically in Purchase Order number sequence and contains all the documents pertaining to the Purchase Order:

- a) Purchase Requisition
- b) Quotations received from the suppliers
- c) Quotation Tabulation Sheet
- d) Purchase Order and Change Orders, if any
- e) Copies of Agreement/Contract

**3. Cross Index Files (*Electronic*)**

**4. Supplier Lists (*Electronic*)**

List is compiled and updated by the Procurement Officers. The supplier file contains a field that identifies firms recognized as small (s); small disadvantaged (d); women owned (w); and also identifies those firms that do not qualify in one of the protected categories (n).

PROCEDURE NUMBER: P110

SUBJECT:

## **PURCHASE REQUISITIONS – GENERAL RULES**

APPLIES TO ALL DEPARTMENTS

1. The Purchase Requisition is used for requesting that Purchasing Services purchase materials, parts, supplies, equipment or other services. It is also used to request the establishment of a Blanket Order to handle the repetitive purchase of products or services.
2. Purchase Requisitions are submitted electronically via the e-Requisitioning System whereby the System assigns an inquiry number automatically. A hard copy form, consisting of a single page and having a pre-printed inquiry number, is available via the [Purchasing Services website](#) for School of Medicine use only.
3. The Requisitioning Department is responsible for providing a complete chartfield (up to 22 digits), utilizing the appropriate account, fund, organization, program and project for the product or service requested, and applicable approvals. The e-Requisitioning System checks FAME for validity of chartfield and funding availability, if applicable, at each approval level. A Purchase Requisition cannot be submitted to Purchasing Services unless the chartfield is valid and funding is currently available.
4. In the case of recurring demand for product or service by a user department, Purchasing Services can take action to place such an item on a Blanket Order. Each purchase has a unit price limit of \$2500. Departments must accurately assess the grand total amount on the Blanket Order. A Blanket Order should not be increased by more than 20% from the original grand total amount. The grand total amount is only an estimate and is not a commitment to the supplier that this amount will be spent. In certain circumstances a procurement card may be used in lieu of a Blanket Order.
5. Departments shall anticipate their requirements to allow adequate lead time for processing and delivery. Item descriptions should be complete and accurate. The use of brand names should be considered descriptive rather than restrictive.
6. When only a particular brand name or supplier is acceptable to the requisitioning department, the Purchase Requisition will be accompanied by a memo signed by an appropriate authority. The memo will state the reason why no substitute is acceptable. Such cases will normally arise for proprietary items, specialty and standardized equipment. The memo does not guarantee that the proposed supplier will be selected. Purchasing Services may contact the requestor in situations where the justification for a sole/single source is in question and other alternatives appear to be available to meet the department's needs.
7. Purchases totaling \$1000 and less can be handled via i-Buy, Purchasing Card, Small Dollar Order form, or appropriate Accounts Payable form.

SUBJECT:

## **ORIGINATING PURCHASE REQUISITIONS**

APPLIES TO ALL DEPARTMENTS

### **A. Material Received**

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None: Process starts with recognition of need for an item or service in any department.

### **B. Operations**

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1. Prepare a Purchase Requisition via the e-Requisitioning System. The System will check Purchase Requisition for chartfield validity and current funding availability. Electronically attach any quotes you may have solicited from a supplier or any other necessary documentation pertaining to the request.

**The requisition will show:**

- a) Name of Requestor: Person for whom the materials/services are being ordered.
  - b) Tel. Ext.: Requisitioner's telephone extension.
  - c) Date Typed: Pre-populated by System.
  - d) Date Required (allow sufficient time for processing and delivery; refrain from using ASAP or RUSH).
  - e) Budget year to be charged. (i.e. 2007, 2008) Chartfield, up to 22 characters. If using more than one chartfield, indicate all chartfields and appropriate distribution.
  - f) Ship To: Pre-populated by System based on each user's profile. If an Alternate Ship To Location is required it should be indicated in the Top or Bottom Notes field of the Purchase Requisition.
  - g) Supplier's Name & Address is selected from the existing System database or, if not in the database, entered manually.
  - h) Item No: Pre-populated by System starting with number 1.
  - i) Quantity: Number of units required
  - j) Item Description: Provide a complete and accurate description of item being requisitioned. Include those characteristics which distinguish one item from another; refer to catalog numbers, specifications, etc. Please include any other charges that may apply such as freight or installation.
  - k) Unit Price: Estimated price per unit.
  - l) Total Cost: Quantity times unit price which is calculated by System.
  - m) Grand Total: Sum of all totals, plus any known charges (e.g. freight, installation, etc.) which is calculated by System based on the information entered by user.
2. Route to authorizing persons for approval, of which some schools/divisions may have a drop down box for selecting approval person for routing purposes. E-mail notification is sent to Approver. Each user can be assigned a dollar threshold amount that defines their approval level. Approval workflow is managed by assigned school/division business managers.
  3. Check justification of purchase and authorize taking into consideration budget provisions and expenditures to date, if necessary. Approve Purchase Requisition or, if necessary, return electronically to end user for more information.



**C. Disposition**

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Electronic Purchase Requisition transmitted to Purchasing Services. If the e-Requisitioning System indicates that the chartfield is not valid or has insufficient funding, the Purchase Requisition cannot be submitted until validity/funding is rectified.

**D. Paper Requisitioning (School of Medicine Only)**

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Follows basic procedures outlined above, except that approvals routing is manual and the Purchase Requisition is faxed or sent via interoffice mail. Chartfiled validation is done at time of order entry into e-Requisitioning System. The Purchase Requisition form is available on the Purchasing Services website.

SUBJECT:

## **INITIAL PROCESSING OF PURCHASE REQUISITIONS**

APPLIES TO PURCHASING SERVICES

### **A. Material Received**

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Original hard copy (School of Medicine use only) or Electronic Purchase Requisition is received from authorizing department.

### **B. Disposition**

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1. Electronic Purchase Requisitions and any electronic attachments are input by the Requisitioner and are electronically transmitted and received. Paper Purchase Requisitions submitted by the School of Medicine are entered into e-Requisitioning System by Purchasing Services personnel and also scanned for electronic record.
2. Electronically assign Purchase Requisition to the appropriate Procurement Officer according to the commodity requested and provide the Procurement Officer with a paper copy of the Electronic Purchase Requisition and any relevant material that may have been received by FAX. Paper Purchase Requisitions received by the School of Medicine are given to the Procurement Officer along with any accompanying documentation that may have been received.

SUBJECT:

**REQUEST FOR BID - GENERAL**

APPLIES TO PURCHASING SERVICES

1. Request for Quotation (RFQ) is the means of conveying to prospective suppliers a list and description of materials, supplies and equipment specifications that the Requisitioner desires to order, and invites price quotations (bids) from suppliers. The RFQ also requires that the supplier confirm that they are not currently debarred, suspended, or proposed for debarment by any federal entity and to advise the University of any change in their status, should one occur.
2. The RFQ is originated by the Procurement Officer assigned to the particular Purchase Requisition.
3. In general, there are three forms of invitation to bid:
  - a) Request for Quotation (RFQ) Form - which, with varied sets of terms and conditions, can be used for both open market purchases and for establishing a Blanket Order. Electronically transmitted through e-Requisitioning System.
  - b) Verbal, through an interview or by telephone. Verbal price quotations are electronically recorded in the supplier quotation field. At the discretion of the Procurement Officer, bidders may be asked to confirm their verbal quotations in writing (usually a FAX transmission).
  - c) Letter form to be individually designed for the purchase of any special materials, equipment or services.
4. Selection of Bidders - The list of qualified suppliers, by procurement class, as currently used and updated by Purchasing Services.

**Notes:**

1. Purchase Requisitions that total less than \$10,000 shall not require a Procurement Officer to solicit multiple price quotations. Prices confirmed by either a written quotation or by a verbal confirmation prior to placing an order. Procurement Officers (at their discretion) may obtain additional quotations for comparison purposes.
2. Purchase Requisitions between \$10,000 & \$99,999 shall require a Procurement Officer to solicit a minimum of three price quotations.
3. Purchase Requisitions equal to or above \$100,000 require a Procurement Officer to solicit a minimum of four price quotations.
4. When the Request for Bid process is not applicable, a Justification Sheet is completed by the Procurement Officer.
5. i-Buy orders are not subject to Purchasing's bid thresholds since the i-Buy marketplace contains suppliers with whom the University has negotiated contract pricing.

SUBJECT:

## **REQUEST FOR BIDS**

APPLIES TO PURCHASING SERVICES

### **A. Material Received**

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1. Purchase Requisition (electronic or hard copy)

### **B. Operations**

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1. Purchase Requisition is electronically assigned to appropriate Procurement Officer.
2. Procurement Officer edits Purchase Requisition to prepare a Request for Quotation (RFQ)
  - a) Correct description, specification, quantities, etc.
  - b) Terms and Conditions-standard and/or any additional special terms.
  - c) Suppliers selected for receiving quotations.
  - d) Final date for submitting quotations - allowing sufficient time for supplier to respond.

### **C. Disposition**

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1. Send (email, fax, mail, messenger) the RFQ to the selected suppliers.

Note: Prices, on occasion, may be solicited by contacting the supplier verbally and recording the price and the supplier's representative's name.

SUBJECT:

## **BID OPENING & SELECTION OF SUPPLIER**

APPLIES TO PURCHASING SERVICES

This procedure is applicable to (1) the receiving and recording of supplier price quotations in response to a Request for Quotation (RFQ) and (2) the selection process. It pertains to bidding actions for either the establishment of a Blanket Order, an open market purchase or commodity pricing agreement.

### **Operations**

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1. Quotations are received and electronically recorded and tabulated.
2. The Procurement Officer evaluates the quotes and checks for supplier responsiveness to, or deviations from, the Purchase Requisition and the original specifications. Comments (if any) are entered in the comment field of the electronic bid form along with the recommendation of the Procurement Officer. The Procurement Officer's recommendation is based on price and other factors (i.e. delivery time, etc.). When the bid due date is reached the best qualifying bidder is awarded the contract, based on price, delivery date and other mitigating circumstances. Where deviations from the specifications occur, the Procurement Officer must make a judgment recommendation and cite reasons.
3. The Procurement Officer prepares a Purchase Order and orders totaling \$5,000 or more are reviewed by a manager before they are issued to the supplier.

SUBJECT:

## **PREPARATION OF PURCHASE ORDERS – GENERAL**

APPLIES TO PURCHASING SERVICES

1. A Purchase Order is used to contract with the suppliers for materials, parts, supplies, equipment and services totaling \$1000 and more. In addition to being a contract document, it serves as a means of forwarding accounting and expense charging information and file records.
2. The form covers all open market purchases resulting from bidding or other means of supplier selection and for placing orders against Commodity/Agreements and Blanket Orders established by Purchasing Services.
3. The Purchase Order will be issued only by Purchasing Services.
4. Purchase Orders totaling \$4,999 and less may be approved and issued with the Procurement Officer's authority, and do not require additional managerial approval. Purchases totaling \$5,000 or more require the approval of a manager. i-Buy orders issued by Procurement Officers which total \$5,000 or more do not require managerial approval.
5. Purchases totaling less than \$300 are generally not processed by Purchasing Services (except via i-Buy).
6. Purchase of goods and certain services totaling \$2,500 and less may be handled via Purchasing Card.
7. Purchase of goods and services totaling \$1000 and less may be handled via Small Dollar Order. Departments are encouraged to use NYU i-Buy in lieu of Small Dollar Order whenever feasible.
8. Blanket Orders should be requested by a department to handle repetitive purchases of products or services. Each purchase has a unit price limit of \$2,500. Departments are encouraged to use NYU i-Buy in lieu of Blanket Orders whenever feasible.
9. i-Buy orders do not have a minimum or maximum amount limitation.

SUBJECT:

## **PREPARATION OF PURCHASE ORDERS**

APPLIES TO PURCHASING SERVICES

### **A. Material Received**

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1. A Purchase Requisition requesting procurement of item(s).
2. Information on award made to the selected supplier after bidding procedure or other negotiations.

### **B. Operations**

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1. Procurement Officer prepares a Purchase Order showing:
  - a) Purchase Order Number: System generated
  - b) Date: Pre-populated by System
  - c) Supplier No.: Pre-populated by system at time of Supplier selection
  - d) Supplier's name and address: Selected from System database
  - e) Shipping Terms or Charges
  - f) Terms (payment terms): Pre-populated by System upon Supplier selection
  - g) Delivery Date (date required or agreed upon)
  - h) Delivery Location (ship to): If different than the Ship to Location on the Purchase Requisition
  - i) Inquiry Number: Pre-populated by System
  - j) Procurement Officer's Name: Pre-populated by System
  - k) Ship to Location: Pre-populated by System from Purchase Requisition
  - l) Chartfield (Identifies type of fund): Pre-populated by System from Purchase Requisition
  - m) Item No: Pre-populated by System starting with number 1.
  - n) Quantity ordered (number of units & unit size, e.g., dozen, gallon, etc.)
  - o) Description (accurate, concise, refer to specification or catalog # where possible)
  - p) Unit Price (quoted or negotiated, actual item price)
  - q) Total Cost: Quantity times unit price which is calculated by System.
  - r) Grand Total: Sum of all totals, plus any known charges (e.g. freight, installation, etc.) which is calculated by System based on the information entered by Procurement Officer.
2. The Procurement Officer signs the Purchase Order. If the order is \$5,000 or more it is countersigned by a manager.
3. Purchase Order is checked for fund availability (if applicable).

### **C. Disposition**

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1. Transmit to supplier.
2. Copy for procurement package.
3. Copy provided to Requisitioning department.

SUBJECT:

**ORIGINATION PURCHASE ORDER CHANGE REQUEST**

APPLIES TO ALL DEPARTMENTS

Requests for changes to a Purchase Order already issued can originate from several sources:

1. The Requisitioner
2. The Procurement Officer
3. Accounts Payable Department
4. The Supplier

**A. Material Received**

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None: A Purchase Order change requirement is recognized and initiates the process.

**B. Operations**

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1. The Originator prepares a Change Order Request via the e-Requisitioning System. The change order request is approved electronically, chartfields are validated and funding checked in the same manner as the Electronic Purchase Requisition. The School of Medicine prepares a [Purchase Order Change Request Form](#) signed by an authorized approver or an appropriate memoranda or e-mail detailing change from an authorized approver.

**The Purchase Order Change Request Form will show:**

- a) Purchase Order Number: pre-populated by System
  - b) Supplier Name: pre-populated by System
  - c) Department Name: pre-populated by System
  - d) Date: pre-populated by System
  - e) Name of Person Requesting Change: pre-populated by System
  - f) Extension: pre-populated by System
  - g) E-mail: pre-populated by System
  - h) Department Fax: pre-populated by System
  - i) New Amount on P.O. (if any): pre-populated by System
  - j) Specify Increase Amount, Decrease Amount or No Change in Amount
  - k) Reason for Change (be specific and attach any supporting documents)
  - l) Amount & Chartfield to be charged or if the change is for a Change in Chartfield specify the old chartfield and the new chartfield.
2. Submit to authorizing person for approval. Approval routing the same as the Purchase Requisition.

**Authorizing Person**

3. Check justification of change and approve or return to requestor for more information. School of Medicine forwards form to authorized approver who completes the Approval and Approval Signature portion on the Purchase Order Change Request Form; or complete and approve memorandum which details changes: or submit e-mail detailing changes.

**C. Disposition**

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1. The Change Order Request becomes part of permanent file of the purchasing package.



SUBJECT:

## **PROCEDURE FOR CHANGE ORDER**

APPLIES TO PURCHASING SERVICES

Changes to an existing Purchase Order are made by issuing a Change Order. Only Purchasing Services is authorized to issue a Change Order for carrying out changes in its provisions.

The changes may refer to price, quantities ordered, terms and conditions, delivery point, etc. As a result of these or any other changes, the chartfield information may also have to be altered. All changes will be clearly documented on the Change Order.

### **A. Material Received**

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1. Change Order Request received from any department asking for a change, or originated by Procurement Officer.
2. Request from supplier for changes in the provisions of the Purchase Order.
3. Any error (typographical or otherwise) discovered by Purchasing Services, necessitating a change in the Purchase Order.

### **B. Operations**

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The authorized individual prepares a Change Order by utilizing the Change Order module of the electronic system and adding and/or deleting information as needed.

In cases where there is a change in information the changes will be specifically noted. The system will automatically add a suffix number to the previous order or change order (i.e., -1, -2, -3, etc.).

Toward the bottom of the Purchase Order form, the financial impact of the change shall be summarized, e.g.,

<b>Original Order Total</b>	<b>\$5,850</b>
<b>Increase</b>	<b>250</b>
<b>New Adjusted Total</b>	<b>\$6,100</b>

In case of extensive changes, all information from the original Purchase Order should be reproduced on the Change Order.

### **C. Disposition**

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Copies are distributed in the same manner as the original Purchase Order.

**Note:** If the invoice has already been paid, the Requisitioning Department should notify the Controller's Office directly if the change pertains to the chartfield only.

SUBJECT:

**ORIGINATING I-BUY ORDERS**

APPLIES TO ALL DEPARTMENTS

**A. Material Received**

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None: Process starts with recognition of need for an item or service in any department.

**B. Operations**

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1. Log-in to the e-Requisitioning System to access i-Buy. i-Buy is an electronic marketplace that integrates with the e-Requisitioning System to provide an on-line shopping experience with selected NYU suppliers. Using a "hosted" and/or "punch-out" supplier, search for the required item(s). Create a shopping cart and submit to the e-Requisitioning System. The e-Requisitioning System will automatically create a Purchase Requisition(s) for each supplier(s). The System will check for chartfield validity and current funding availability, if applicable.

**The requisition will show:**

- a) Name of Requestor: Person for whom the materials/services are being ordered.
  - b) Tel. Ext.: Requisitioner's telephone extension.
  - c) Date Typed: Pre-populated by System.
  - d) Budget year to be charged. (i.e. 2007, 2008) Chartfield, up to 22 characters. If using more than one chartfield, indicate all chartfields and appropriate distribution.
  - e) Ship To: Pre-populated by System based on each user's profile.
  - f) Supplier's Name & Address is selected from the i-Buy marketplace.
  - g) Item No: Pre-populated by i-Buy.
  - h) Quantity: Number of units required
  - i) Item Description: Pre-populated by i-Buy
  - j) Unit Price: Price per unit. Pre-populated by i-Buy.
  - k) Total Cost: Quantity times unit price which is calculated by System.
  - l) Grand Total: Sum of all totals.
2. Route to authorizing persons for approval, of which some schools/divisions may have a drop down box for selecting approval person for routing purposes. E-mail notification is sent to Approver. Each user can be assigned a dollar threshold amount that defines their approval level. Approval workflow is managed by assigned school/division business managers.
  3. Check justification of purchase and authorize taking into consideration budget provisions and expenditures to date, if necessary. Approve Purchase Requisition or, if necessary, return electronically to end user for more information.
  4. After the Purchase Requisition is approved by the departmental administrator a Purchase Order is immediately transmitted directly to the i-Buy supplier, without review/handling by Purchasing Services. All i-Buy Purchase Orders begin with the prefix "E". If applicable, the Purchase Order may also be checked for fund availability before it is released to the supplier.
  5. i-Buy orders are not subject to Purchasing's bid thresholds since the i-Buy marketplace contains suppliers with whom the University has negotiated contract pricing.
  6. i-Buy orders do not have a minimum or maximum amount limitation.

PROCEDURE NUMBER: P150

**C. Disposition**

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1. Transmit to supplier
2. Copy retained in e-Requisitioning System
3. Copy provided to Requesting Department via email

SUBJECT:

## **PURCHASE OF PRINTING, COPYING, GRAPHIC & MAILING SERVICES**

APPLIES TO ALL DEPARTMENTS

Print and copy jobs exceeding \$1,000 can be purchased through either Copy Central, Purchasing Services or Advertising & Publications. These departments are responsible for obtaining comparative price quotations and awarding business, in accordance with this and other University Purchasing Procedures. Print and copy jobs between \$301 and \$1,000 may be purchased using a Small Dollar Order form. To eliminate the need to refer to individual procurement procedures, the following outlines the University's requirements, and the process, for the purchase of printing and its related services.

### **Printing**

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Printing and copying projects are initiated by submitting a Requisition prior to purchase, as follows: Copy Central Requisitions and/or Purchase Requisitions for printing/copying, are submitted to Copy Central (14 Waverly) or Purchasing Services (726 Broadway); Publications Requisitions are submitted to Advertising & Publications (25 West 4th Street). University letterhead and business cards can be obtained either through Copy Central or on-line through Supply Central using the StaplesLink system. Other printing needs, including forms, are available through Copy Central. When a printing job cannot be produced in-house it will be obtained from a qualified commercial source.

In general, there are two forms for obtaining price quotations (bids). Suppliers receiving an opportunity to quote are selected from the list of qualified suppliers as currently used and updated by Purchasing Services. Requisitioners can suggest one or more suitable suppliers on the Requisition.

#### **The forms of quotation are:**

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1. Supplier Quotation Form (written - detailing all aspects of the particular job).
2. Letter form, individually designed for the particular job to be purchased. All price quotations are recorded on supplier quotation/printing estimate forms.

#### **The rules of print purchasing are as follows:**

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1. Printing Requisitions that total less than \$10,000 shall not require a Procurement Officer to solicit multiple price quotations. Prices may be confirmed by either a written quotation or by a verbal confirmation prior to placing an order. Procurement Officers (at their discretion) may obtain additional quotations for comparison purposes.
2. Printing Requisitions between \$10,000 & \$99,999 shall require a Procurement Officer to solicit a minimum of three price quotations.
3. Printing Requisitions equal to or above \$100,000 require a Procurement Officer to solicit a minimum of four price quotations.

**Note:** School offices may obtain written quotations directly from prospective suppliers and then submit these written quotations, along with the appropriate Purchase Requisition, to Purchasing Services for review. If acceptable, then a Purchase Order will be issued. Purchasing Services reserves the right to verify pricing, obtain additional price quotations, and select the supplier. All quotations shall be for job or lot prices, overruns cannot be billed.

Suppliers commencing work without the benefit of a Purchase Order, issued prior to the work, may never receive payment.

## **Design Consultation**

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If a publication requires Design Services these services can be provided through one of the following:

- a) Advertising & Publications
- b) Copy Central
- c) SCPS Public Affairs Office
- d) SSB Publications Office
- e) Law School Publications Office
- f) FAS/Office of Communications

These are the only University offices that are authorized to contract for, or provide the creative design and/or consulting services for publications. All Central Administration publications, regardless of size/cost, are to be handled through either Advertising & Publications, Copy Central or Purchasing Services.

Agreements with design firms and/or design consultants must be limited to creative services only. Schools and Departments are subject to the University's Print Purchasing Policies and Procedures that cannot be subcontracted to designers/consultants. Designers/Consultants are not permitted to purchase printing on behalf of NYU, nor "markup" a printing contract. Requests for design, typesetting and related services must be processed on either a Publications Requisition or Purchase Requisition. Requisition's description must be itemized.

## **Mailing**

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All mailings (minimum 200 pieces) should always be mailed at the lowest qualifying rate, that is, third class non-profit bulk rate. Publication mailings of 200 pieces and more may be mailed First Class only when approved in writing by the Dean of your School or Vice President for your unit. Whenever possible commercially purchased mailing lists should be prepared for postal automation discounts - CASS certified (zip +4, carrier routes, and bar-coding). Commercial list providers should process the addresses using the USPS master file to assure the accuracy of all addresses. This will eliminate costly undelivered returns.

## **Invoices / Bills**

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All invoices/bills MUST contain the NYU Purchase Order Number and itemize the design, typesetting, printing, mail handling, and postage costs (each expense category will be charged to the proper account).

## **Recommendations for Cost Reduction**

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Some methods for reducing publications costs are:

- a) Using campaigns for advertising and publications over a period of two years rather than one, to eliminate up front costs for design, illustration, photography, and certain production costs - in effect, updating instead of recreating.
- b) Planning, preparing and printing publications with a two year, or greater life span is frequently possible. This can reduce cost and increase efficiency. Contact Advertising & Publications for assistance.
- c) Desktop publishing software should be utilized whenever practical to eliminate or reduce typesetting costs. Contact either Copy Central or Advertising & Publications for additional information and assistance. Both these units offer these services and are able to provide disk conversion for most word-processing software.

- d) Publications to be mailed should be designed so they qualify for the lowest possible postal rate. Consult with Mail Services to determine the most beneficial design.

Departments are advised to anticipate their printing and copying needs and to provide sufficient lead time to avoid rush and / or overtime charges.

SUBJECT:

**ENVIRONMENTAL PHILOSOPHY AND PRACTICES**

APPLIES TO ALL DEPARTMENTS

Administrative Services is comprised of Purchasing Services, Supply Central, Asset Management, Copy Central and Mail Services. The Division is committed to continuing and increasing the environmental performance of the University's supply chain by promoting the use of environmentally preferable products. Purchasing environmentally preferable products involves the evaluation of environmental attributes of products along with our traditional criteria of price, performance and availability. Environmentally preferable products encourage waste prevention as these products are typically manufactured with materials that are either post-consumer recycled or contain materials diverted from the waste stream.

In cooperation with other University departments, Administrative Services will identify environmentally preferred products and encourage the purchase of these products whenever practical, through relationships with preferred suppliers.

Vendors that are able to supply environmentally preferable products differentiate themselves in the marketplace by their sense of social responsibility. These suppliers are most closely aligned to the University's environmental philosophy and are therefore the suppliers the University prefers to conduct its business.

Definitions

**Environmental Purchasing:** Giving consideration to environmental factors in procurement decisions, along with the traditional criteria of price, performance and availability. Considerations include the raw materials used to create the product, the manufacturing methods, packaging, distribution, energy consumption, maintenance, reuse, and/or disposal.

Environmental Purchasing gives preference to reusable content and recycled materials over virgin materials, as well as to conserving water and energy.

**Recycled Products:** Products that use waste material that has been recovered or diverted from the waste stream in their manufacture. Recycled material may be derived from post-consumer waste, industrial scrap, manufacturing waste and/or other waste materials.

Environmental Practices include:

Staying abreast of environmental legislation and University initiatives and understanding how they impact the University's supply chain.

Monitoring what peer institutions are doing and sharing best practices. The sharing of ideas helps to identify new savings opportunities through environmental compliance.

Utilizing total cost of ownership analysis and comparing the cost of currently purchased products with more environmentally preferable alternative products.

When an alternative product is purchased, that is environmentally safer and/or manufactured from a renewable source, promoting its benefits throughout the University.

Marketing our environmental successes to increase awareness and encourage acceptance and use of environmentally preferable products.

## **Purchasing Services**

### **Department Purpose**

Purchasing Services' mission is to directly support the University's educational and administrative needs, by assisting faculty and staff to obtain high quality environmentally preferable products and services, at the lowest cost possible and in a timely manner, by using best business practices and professional ethics.

### **Environmental Purchasing**

The purpose of Environmental Purchasing is to encourage the purchase/use of environmentally friendlier products in order to minimize the negative environmental impact. Purchasing Services recommends environmentally preferable products whenever they perform satisfactorily and are available at a reasonably competitive price. This policy will be fostered through appropriate training and procurement procedures.

### **Environmental Practices**

The Purchasing Services e-Requisitioning System is a paper free purchasing solution for on-line requisitioning, requesting of proposals, issuing purchase order and generating reports.

The Purchasing Services i-Buy System is a paperless purchasing solution that empowers users to electronically select products from numerous key suppliers and electronically issue purchase orders in an entirely paper free environment.

Purchasing professionals have the power to help determine the characteristics of manufactured products. By working with colleague institutions we will be able to help ensure that manufacturers utilize environmentally safe materials in the manufacture of new products.

Purchasing Services will stay abreast of what colleague institutions are doing and will share best practices with the University community.

Purchasing Services will seek to identify environmentally preferred products compared with competing products or services that serve the same purpose.

Purchasing Services will encourage the departmental use of environmentally preferred products. Selected examples are:

- Green Printers & Copy Machines... Printers and copiers shall be "Energy Star" rated and successfully operate using recycled paper.
- Copier Lease vs. Buy... Lease and return copiers to the manufacturer at the end of the lease for remanufacture rather than disposal.
- Multifunction Machine vs. Separate Machines: Suggesting the acquisition of a multifunction machine that can print, fax, scan and copy, when appropriate. A single print engine means that less energy is being consumed, as opposed to three print engines (fax, copier, printer).
- Green Furniture ... Furniture manufactured with a high percentage of post-consumer and recyclable materials.

Purchasing Services will also continue to work very closely with our many local merchants to minimize transportation costs while simultaneously supporting our local economy.

### **Exemption**

Practices shall not require the purchase of products and services that do not perform adequately and/or are not readily available and at a reasonably competitive cost.

## **Supply Central**

### **Department Purpose**

NYU Supply Central is the University's source for all office supply products. There are more than 10,000 quality items available, all at deeply discounted prices. Supply Central services include prompt



deliveries, on-site customer assistance and on-line paper free ordering. It is the goal of Supply Central to meet 100% the University's needs for office supply products.

#### Environmental Practices

More than 1,600 recycled products are available on-line through our office supply contract. All of these products are clearly marked with a recycled symbol.

Encourages the use of recycled paper and sends out free samples of recycled copy paper.

Monitors units that order virgin paper and periodically contacts and offer them samples of recycled copy paper to encourage them to switch.

Provides samples of all recycled products (e.g. toner) to departments to encourage the use of products manufactured with post-consumer materials.

Routinely meet with departments to discuss the availability and benefits of recycled and environmentally preferable products.

Supply Central's "Best Value" section (the mostly deeply discounted items) features recycled products by both office supply category and a recycled product list.

- Entering "**recycled**" in the search field of the on-line system results in 122 categories of supplies that have recycled products.
- Entering "**recycled**" plus the item you want (e.g. recycled folder, etc.) in the search field of the on-line system provides a listing of all of those recycled items.

Encourage the use of Supply Central toner cartridge recycling program. Postage free mailing labels are available on-line, via the on-line system.

Encouraging less frequent ordering. Departments are continually encouraged to batch orders and/or issue larger orders less frequently to reduce packaging materials and number of deliveries to minimize fuel usage. Reminders are issued via email, catalog information and on-line postings on the on-line system's homepage.

Displaying recycled items and information at Supply Central Vendor Fairs. Vendors who appear at our fairs are requested to present recycled/green products and information.

Our contract supplier is committed to developing and enhancing sustainable business in three specific areas: economic, social and environmental.

Our contract supplier is committed to the protection of natural resources through sustainable environmentally preferable products, recycling, energy and climate and environmental education.

#### **Asset Management**

##### Department Purpose

Asset Management maintains the University inventory of capital equipment costing more than \$3,000 and offering quality surplus items to the University Community to encourage recycling/reuse and to minimize waste.

#### Environmental Practices

The staff physically inspects all surplus furniture and equipment, determines its recyclable value and either arranges to have the item moved to Central Storage, or designates non-hazardous items for disposal if deemed unusable.

Asset Management hosts bi-monthly Open House events where surplus equipment is made available for viewing and reuse by all University departments.

Asset Management continually provides numerous not-for-profit organizations with information regarding NYU surplus items that they might avail themselves of.

### **Copy Central**

#### Department Purpose

Document Reproduction Services. Copy Central is the University's copy center, open to the entire University community. Services include black and white copies, color copies, business cards, letterhead, flyers, posters, graphic design, addressing and more.

#### Environmental Practices

Copy Central uses high quality recycled paper for almost all of the millions of copies it produces and encourages two (2) sided copying to save paper.

The management staff stays abreast of advances in environmentally preferable printing and copying supplies and tests these supplies for quality and performance.

The reproduction equipment is digital to provide highest quality images while minimizing waste. The reproduction equipment is returned to the manufacturer at the EOL where it is remanufactured for use in other markets.

The staff is well versed copying, printing and graphic design and produces high quality work that fulfills the University's environmental goals.

### **Mail Services**

#### Department Purpose

Mail Services processes the University's incoming, outgoing, interoffice and intercampus mail. An average of 125,000 pieces of mail and packages are handled each day – an amount equivalent in complexity and mail volume to that of a small city.

#### Environmental Practices

Mail Services stays abreast of all changes in Postal legislation and regulations in order to help minimize the impact of increases in postage rates to the University community by utilizing all discount based incentives (i.e., Presorted 1<sup>st</sup> Cl. mail, Non-Profit mail, Business Reply Mail (you only pay for the pieces received back), Post Cards, etc.) offered by the Postal Service. Additionally, Mail Services is committed to reducing handling and receipt of as many paper items as possible.

Mail Services shares best mail practices information with University departments to assist with proper preparation of outgoing mail pieces. Proper preparation reduces returned mail that will further incur additional postage costs.

Mail Services supervisory staff has been trained by the US Postal Service in Mail piece design and they continually consult with and encourage departments to design mailing pieces that use less paper and reduce the mailing cost.

Mail Services is engaged in an on-going effort to reduce the number of catalogs and unsolicited mail received and handled. By minimizing the number of catalogs and reducing unsolicited mail, we believe that suppliers will reduce the quantity of catalogs printed and distributed.

Mail Services, in concert with peer institutions, is working with a company that secures route schemes and addresses, enters the data and provides clean mailing addresses to major mailers (i.e., credit card companies, banks, insurance companies etc.). These same mailers continually send mail to faculty, students and university and college departments in the college and university community. The program will reduce the volume of this type of mail received. There is no charge to the University.

Working with UPS, Mail Services persuaded UPS to issue invoices and supporting documents on CD thereby eliminating massive amounts of paper. Mail Services implemented the use of digital meter imprints using water based environmentally friendly ink.

SUBJECT:

## **ADVERTISING MEDIA POLICY**

New York University has authorized the Office of Advertising & Publications Services to be the sole Procurement Officer of advertising media. The office of A&P will provide full execution of all media requests including: research, negotiate the best price available, create, produce and traffic advertising. A&P does not provide this service for the Schools of Law or Medicine or SCPS.

For further information regarding the Advertising Media Policy, please contact the Office of Advertising & Publications at 212-998-6800.

SUBJECT:

**UNIVERSITY BUSINESS TRAVEL RESERVATIONS/ARRANGEMENTS**

APPLIES TO BUSINESS TRAVEL

**A. Purpose**

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To establish a procedure for securing University business travel reservations.

**B. Scope**

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This procedure applies to business travel.

**Statement of Policy**

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University business travelers can make their arrangements either with an internet travel agency, directly with an airline, or travel agency of their choice. Travelers are to book the lowest logical “coach class” airfare. NYU strongly recommends that travelers use agencies that charge either no fees or very nominal fees. In an effort to ensure greater cost savings, compliance and convenience, Purchasing Services has developed the NYU Travel Portal, managed by Campus Travel Management, that utilizes a core group of participating travel providers, including conventional travel agencies as well as Internet agencies and selected consolidators. Refer to the travel portal website located on the Purchasing Services website at [www.nyu.edu/purchasing.services](http://www.nyu.edu/purchasing.services).

NYU travel is any trip paid with University funds or University-managed funds (i.e. Sponsored Research accounts).

**C. Operations (Travel Reservations & Booking)**

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Arrangements for Airline and Rail Tickets, and Hotel Reservations for individual business travelers can be made either with an internet travel agency, directly with the travel service provider or travel agency of your choice. Travel expenses (Tickets, Hotel Reservations, Rental Cars, Meals, and other business travel expenses) can be charged to the traveler's NYU Travel Card or another personal credit card.

- Travelers should check with their School/Department administrative and/or budget office for the name of their appropriate departmental representative and any School/Departmental specific policies.
- [NYU Travel Card applications](#) are available thru Purchasing Services.
- Refer to the [Purchasing Services website](#) for the current business travel information available.

**Summary**

Business travel and entertainment policy, including reimbursement, not specifically covered in this manual are covered by the NYU Business Expenses Policy and the Expense Reimbursement Policy available on the [Controller's Division website](#).

SUBJECT:

## **STUDENT SCHOLARS TOUR GROUP TRAVEL RESERVATIONS/ ARRANGEMENTS**

APPLIES TO STUDENT SCHOLARS TRAVEL

### **A. Purpose**

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To establish a procedure for securing Student Scholars Tour Group Travel ONLY. The New York University Travel Services Guidelines and Procedures (Procedure Number P180) applies to all other forms of University business and group travel. (A group is 15 or more people taking a trip together.) Travel arrangements for air and/or hotel only should be arranged using the Business Travel Account (BTA).

### **B. Scope**

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This procedure applies to student scholar travel.

### **C. Operations**

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1. Purchase Requisitions must be prepared for the purchase of travel and tour arrangements/accommodations much the same as for any other purchase. There are, however, some slight deviations.
  - a) Purchase Requisition should be submitted no less than 60 days prior to trip; the earlier the better. (Sufficient lead time is needed to ensure best rates.) Suggest a travel agency (more than one may be suggested) Purchasing Services will obtain written price quotations from the Requisitioner's suggested agencies  
or
  - b) The School may obtain price quotations directly from NYU insurance approved travel agencies. A minimum of three written price quotations is required. The requisition is submitted along with the quotations. If an award is recommended to other than the lowest price quotation, specific reasons must be included  
or
  - c) The School may permit the scholarship program's students to plan the trip, contact travel agencies directly (NYU insurance approved only) and obtain the requisite number of written price quotations, and submit the quotation, along with a Purchase Requisition. If an award is recommended to other than the lowest price quotation, specific reasons must be included.
  
2. In the description portion of the Purchase Requisition, provide the following information:
  - a) Size of group
  - b) Reason for trip
  - c) Length of trip
  - d) Time of trip - when they want to travel.
  - e) Destination - one location, or various cities in program
  - f) Scope of program - airfare, hotel, sightseeing, meals, etc.
  - g) Estimate budget
  - h) Past history of group - what do they like to do.
  - i) Does entire group travel together?
  - j) How many escorts / faculty accompany group
  - k) Are any "frees" to be costed into program - if so, how many.

l) Room requirements - singles, doubles, triples.

3. Additional Information / Requirements / Recommendations

- a) All travel providers doing business with NYU must carry University required insurance. The selection of bidders is limited to those agencies having approved insurance certificates on file with the NYU Insurance Department.
- b) It is preferable that a written specification be provided to all agents quoting to ensure that agencies are quoting on equal trips.
- c) It is advisable to notify each prospective agency that multiple agencies are quoting on the same trip.
- d) All quotations must be in writing and if prepayments or deposits are required they must be stipulated on either the quotation or Purchase Requisition. A pro-forma invoice is required.
- e) Agencies must be advised that they may not hold space in the name of their agency. Space may be held in the University's name only.

SUBJECT:

## **RECEIVING COMPLETE SHIPMENTS**

APPLIES TO ALL DEPARTMENTS

### **A. Material Received**

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1. Shipments from suppliers, with freight bills, bills of lading, packing slips, shipping orders or other documentation.

### **B. Operations**

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1. Examine the shipment (count, weigh or measure merchandise, as applicable) to assure all items are in good condition. Notify Purchasing Services of damaged merchandise, shortages, incorrect shipments, etc.
2. Inspect Supplier's documentation and compare with Purchase Order copy.
3. Sign document as confirmation of receipt for the supplier's representative or truck driver, if any is required.

SUBJECT:

## **RECEIVING PARTIAL SHIPMENTS**

APPLIES TO ALL DEPARTMENTS

Departments receiving a partial delivery can arrange for processing payment.

### **A. Material Received**

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1. Information about partial shipment from documents accompanying the materials, or
2. On receipt of merchandise the receiving department checks the delivery against the department Purchase Order and observes that the shipment is not complete, or
3. Shipment is received and no Purchase Order copies are in department files.

### **B. Operations**

---

1. Examine the shipment (count, weigh or measure merchandise, as applicable) to assure all items are in good condition. Notify Purchasing Services of damaged merchandise, shortages, incorrect shipments, etc.
2. Inspect Supplier's documentation and compare with department Purchase Order copies. If no Purchase Order copies are in the department files, contact Purchasing Services for a copy.
3. Sign document as confirmation of receipt for the supplier's representative or truck driver, if any is required.



SUBJECT:

## **PURCHASING CARD**

APPLIES TO ALL DEPARTMENTS

The Purchasing Card is a University liability charge card issued to an employee of NYU for the purpose of making authorized purchases on the University's behalf. The Purchasing Card has a maximum transaction limit of \$2500. A monthly spending limit is determined by the Card Administrator of the department. Each Cardholder and Card Administrator must complete the on-line training session in order to establish a Purchasing Card program in their department or issue a card to an individual. Each Cardholder and Card Administrator is bound by the policies and procedures outlined in the Purchasing Card Policies & Procedures Guide available on the Purchasing Services website at [www.nyu.edu/purchasing.services](http://www.nyu.edu/purchasing.services). If a Purchasing Card program does not currently exist in your department, approval must be obtained from the Budget Officer of your School/Division.

SUBJECT:

**SMALL DOLLAR ORDER – POLICY**

APPLIES TO ALL DEPARTMENTS

**A. Purpose**

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The purpose of this procedure is to set forth a standard method for the acquisition of goods or services totaling \$1,000 and less for the Small Dollar Order.

**B. Responsibilities**

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The University Vice Presidents, School Deans or Official Designee(s) are assigned overall responsibility for purchases totaling the Small Dollar Order limits, and for providing the necessary support documentation as set forth below. This authority may be exercised through Official Designees.

**C. Policy**

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The basic policies governing the under Small Dollar Order purchase system, hereafter called "Small Dollar Order" are as follows:

1. Small Dollar Orders are used for a variety of small purchases or repairs, on a direct basis between the Vice President, Dean or Official Designee and a Supplier. Representative lists of authorized and unauthorized purchases are shown in Sections D&E respectively.
2. No single expenditure using the Small Dollar Order may exceed \$1,000.
3. Purchases totaling more than the Small Dollar Order limit must be obtained through regular procurement channels (Purchase Requisition and Purchasing Services Purchase Order). Multiple Small Dollar Orders may not be issued to circumvent the Small Dollar Order limit.
4. The Small Dollar Order form consists of a four (4) part carbonless snap set, that provides copies for the Supplier (seller), Purchasing Services, Accounts Payable (Receipt Acknowledgement) and Issuing Department.
5. Each Small Dollar Order form will be pre-numbered. Purchasing Services shall record the assignment of the Small Dollar Order.
6. Accounts Payable will issue payment of each Small Dollar Order upon receipt of an invoice or bill and the Accounts Payable/Receipt Acknowledgement Copy of the Small Dollar Order. The price, quantity and amount on the order and invoice must match one another before payment is issued. Any and all differences between orders and invoices must be resolved by the issuing department and the supplier.
7. Each Official Designee shall submit a monthly Small Dollar Order summary report to Purchasing Services and Accounts Payable. Every order number issued, changed, cancelled or destroyed (voided) shall be reported in numerical sequence, along with the date issued (or changed, etc.), supplier's name and exact dollar amount. Voided order forms must be submitted to Accounts Payable with the monthly summary report.
8. Documentation to substantiate expenditures will be maintained by the Vice President, Dean or Official Designee(s) and be subject to periodic internal audit. The documentation shall consist of: A record of each purchase, in the form of a log entry or computer printout or summary report; a copy of the Small Dollar Order; and any other pertinent information such as notes of conversations related to an order, written communications, or the like.
9. Purchasing Services shall endeavor to negotiate University price agreements, to provide a price and source for many minor products and services.

10. Purchasing Services shall provide purchasing assistance to the administrative areas responsible for Small Dollar Orders, upon request.

#### **D. Authorized Expenditures**

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The following list illustrates some types of expenditures for which Small Dollar Orders **may be used**.

1. Specialty miscellaneous supplies.
2. Minor repairs to equipment.
3. Minor furnishings & equipment.
4. Other minor items of a similar nature.

#### **E. Un-authorized Expenditures**

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The following list illustrates the type of expenditures for which Small Dollar Orders **may not be used**.

1. Consumable office supplies available through Supply Central.
2. Equipment rentals.
3. Building maintenance or repairs.
4. To establish a blanket orders.
5. All expenditures for personal services, i.e., consultants, lecturers, temps, etc.
6. Items disallowed under a sponsor's regulations.
7. Purchases against an overdrawn or expired chartfield.
8. Travel & Entertainment.
9. Expenditures for items prohibited by other directives.

**Note: Abuses of this system, e.g., issuing multiple Small Dollar Orders to circumvent the system, buying unauthorized items, charging an overdrawn or non-existent chartfield, will result in revocation of the Small Dollar Order system for any unit involved in such practices.**

SUBJECT:

## PREPARATION OF SMALL DOLLAR ORDERS

APPLIES TO ALL DEPARTMENTS

The [Small Dollar Order form](#) is a multi-part form, issued for purchases for less than the Small Dollar Order limit. The Vice President, Dean or Official Designee is responsible and accountable for all Small Dollar Orders. The authority to issue Small Dollar Orders may be exercised through Official Designees.

### A. Operations (Form Preparation)

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1. At the direction of the responsible Vice President, Dean or Official Designee, the Small Dollar Order is prepared showing:
  - a) Small Dollar Order Number (preprinted with "S" prefix).
  - b) Date (typed)
  - c) Delivery & Billing Location (The NYU office address where the supplier will ship the material and send the bill.) The issuing department is responsible for attaching and forwarding the supplier's bill and Accounts Payable/Receipt Acknowledgement Copy to Accounts Payable, so payment can be rendered.
  - d) Ref. no. (if any)
  - e) Delivery Date (agreed upon)
  - f) Government Contract Number (if applicable)
  - g) Ordering Department
  - h) Chartfield
  - i) Budget Year
  - j) Supplier's name and address
  - k) Item no. (number each item consecutively starting with #1)
  - l) Quantity ordered
  - m) Description (accurate, concise, refer to catalog number where possible)
  - n) Unit Price (quoted or negotiated, actual item price)
  - o) Total amount (unit price times quantity ordered)
  - p) Shipping charges (if any, quoted by seller)
  - q) Small Dollar Order Total (Grand Total all items, including shipping charges.)
  - r) Name of Requestor (type)
  - s) Signature of Requestor
  - t) Name of Dean or Official Designee
  - u) Signature of Dean or Official Designee (Must be an original signature only - "per" signatures or stamp signatures are not acceptable).

### C. Disposition of Copies

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1. Forward copy #1 to Vendor.
2. Forward copies #2 to Purchasing Services
3. Sign & forward copy #3 (Receipt Acknowledgement) and the supplier's invoice/bill to Accounts Payable.
4. Retain copy #4 as the file copy.

### D. Advance Payment Required

---

1. Obtain an invoice from the Supplier.
2. Sign the Accounts Payable/Receipt Acknowledgement (Copy #3)
3. Sign and approve the supplier's invoice.
4. Forward both documents (Copy #3 and supplier's invoice) to Accounts Payable.

SUBJECT:

**PROCEDURE FOR CHANGE ORDERS – SMALL DOLLAR ORDERS**

APPLIES TO ALL DEPARTMENTS

Any changes in a previously issued Small Dollar Order can be made only by a change order (except account coding). The original multipart carbonless Small Dollar Order form will be used for this purpose. Only the responsible Vice President, Dean or Official Designee, is authorized to issue a Change Order.

The changes may refer to price, quantities ordered, delivery location or cancellation of original order. A Change Order should ordinarily be issued only after the change has been agreed to verbally or in writing by the supplier.

**A. Operations**

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1. Prepare a Change Order by using the Small Dollar Order form in the following manner:
  - a. Type "Change Order" in all capital letter next to the words "Small Dollar Order", and cross out (XXXX) the pre-printed order number and type the original Small Dollar Order number above it. Fill in the top portion of the form in the same manner as the original.
  - b. In the body of the Small Dollar Order form, the actual changes will be clearly shown, e.g.

Example:

**CHANGE ORDER TO READ AS FOLLOWS**

Add the following item(s):

1 ea. Widget @ \$125.00

Original Order Total	\$164.
Increase	\$125.
New Adjusted Total	\$289.

OR.....

In case of extensive changes, it is advisable to issue a cancellation of the original order, followed by the issue of a correct order

**CANCEL ORDER IN ITS ENTIRETY**

Original Order Total	\$289.
Decrease	\$289.
New Adjusted Total	0.

**B. Disposition**

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The copies will be distributed in the same manner as the original Small Dollar Order.

**Note 1:** The Originating Department shall notify the Controller’s Division Financial Reporting Office if the change pertains to the account coding only.

**Note 2:** Remember to include the order number of the form used for the Change Order, in the monthly summary report.

SUBJECT:

## **RECEIVING SHIPMENTS/DELIVERIES –SMALL DOLLAR ORDERS**

APPLIES TO ALL DEPARTMENTS

### **A. Material Received**

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1. Shipments (merchandise) from suppliers with bills of lading, packing slips or other documentation.

### **B. Operations**

---

1. Remove Accounts Payable/Receipt Acknowledgement Copy of the Small Dollar Order from the file of outstanding orders (filed by order number or supplier's name).
2. Examine merchandise immediately to assure all items are in good condition. Notify supplier of damaged merchandise, shortages, incorrect shipments, etc.
3. Inspect supplier's documentation and compare with Small Dollar Order copy.
4. Sign document as confirmation of receipt, for supplier's representative or truck driver, if any is required.
5. Sign and date Accounts Payable/Receipt Acknowledgement Copy of Small Dollar Order, attach to the supplier's invoice/bill (when received) and forward to Accounts Payable.

Note: In the event Small Dollar invoices are received in Accounts Payable directly from the supplier for purchases made by the School of Medicine without the Small Dollar Order form attached, Accounts Payable will send these invoices to Purchasing Services for handling. Purchasing Services will match the Purchasing Copy of the form and/or obtain the chartfield and return the documents to Accounts Payable for payment (based on assumed receipt).

SUBJECT:

## **RECEIVING PARTIAL SHIPMENTS – SMALL DOLLAR ORDERS**

APPLIES TO ALL DEPARTMENTS

The use of the Accounts Payable/Receipt Acknowledgment Copy of the Small Dollar Order as a delivery report may cause occasional problems when supplier delivers a partial shipment, with documents indicating (or sometimes not indicating) that the total order has not been shipped. All departments receiving material will arrange for processing such partial orders as explained herein.

### **A. Material Received**

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1. Information about partial shipment from documents accompanying the materials, or...
2. On receipt of merchandise the receiving department checks the delivery against the original Small Dollar Order and observes that the shipment is not complete.

### **B. Operations**

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1. Count, weigh or measure merchandise, as applicable; at the same time, examine the shipment to assure all items are in good condition. Notify supplier of shortages, incorrect shipments, etc.
2. Inspect supplier's documentation and compare with Small Dollar Order copies.
3. Sign document as confirmation of receipt for the supplier's representative or truck driver, if any is required.
4. Attach the supplier's invoice/bill (when received) and a photocopy of the #3 Copy of the Small Dollar Order (Accounts Payable/Receipt Acknowledgement), and forward to Accounts Payable.

### **Notes**

When an order is completed, sign and forward the original Accounts Payable/Receipts Acknowledgement copy of the Small Dollar Order to Accounts Payable along with the final bill.

SUBJECT:

## **EMERGENCY PROCUREMENT**

APPLIES TO ALL DEPARTMENTS

### **General**

Occasionally the requirement for supplies, equipment or essential services cannot be fulfilled through the planned and normal flow for their acquisition. To accommodate these needs an emergency procurement procedure is necessary.

Emergencies generally involve life safety and/or physical plant (buildings) conditions that warrant immediate response to protect life and property. Once in a while emergencies arise for teaching and/or research supplies and equipment.

If an emergency situation arises, during normal business hours, Purchasing Services should be contacted.

### **A. Material Received**

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1. Contact Purchasing Services describing what is needed and the nature of the emergency.
2. No material is received; an emergency condition is recognized and initiates the process.

### **B. Operations**

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1. The Requisitioner calls the supplier(s) and/or requests that Purchasing Services make the call(s). No specific number of verbal price quotations is required. It is desirable that calls be placed to a number of suppliers as this may help to identify alternative solutions and/or the one firm that is able to respond sooner than all others.
2. Follow-up (by Requisitioner)
  - a) Prepare a Purchase Requisition. Append/include an explanation of the nature and reason for the emergency procurement, signed by an appropriate authority.
  - b) Provide written certification of the telephone quotation(s) obtained, the date obtained, name supplier(s) and the person(s) who quoted, and the date that the delivery or service was actually provided.
  - c) Process a Purchase Order (Purchasing Services).

**Or**

3. Transfer between Budget Centers (Borrow)

Items that are required in an emergency may be obtained from other budget centers within the University when available. Transactions of this nature are handled by the departments involved. Follow-up action requires the appropriate budget adjustments or return of borrowed item(s).



PROCEDURE NUMBER: P240

SUBJECT:

## **SUPPLIER PERFORMANCE OR PRODUCT COMPLAINTS**

APPLIES TO ALL DEPARTMENTS

### **A. Purpose**

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To create a method for documenting and advising Purchasing Services of any problems relating to purchased products or services.

### **B. Operations**

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1. A [Supplier Performance Report Survey](#) on the Purchasing Services website containing all pertinent and available information.
2. The Purchasing Director and commodity Procurement Officer review and investigate the complaint and note action taken (or to be taken) in the electronic memo field of the supplier's file. A supplier may be "inactivated" depending on the nature of the complaint.
3. If the complaint involves a product in common use, Purchasing Services may contact/advise other departments and/or obtain additional information about the supplier's performance from other departments.
4. If the complaint involves a purchase of high dollar value, Purchasing Services shall submit it to Legal Counsel for further review.

SUBJECT:

## **SUPPLY CENTRAL – GENERAL**

APPLIES TO SUPPLY CENTRAL

Supply Central, operating within the Administrative Services Division, manages the acquisition and distribution of office supplies for the University and is responsible for the following:

1. Managing the flow of office supplies, forms and sundries in common use throughout the University.
2. Analyzing the usage and preparing purchasing requirements to ensure that sufficient material is available when needed.
3. Resourcing and obtaining items requested by individual departments.
4. Developing recommendations for improving quality, value and cost of materials and operations.

**Note:** Office supplies may also be obtained from the NYU Bookstores.

SUBJECT:

## **CUSTOM ITEM ORDER FORM – GENERAL RULES**

APPLIES TO ALL DEPARTMENTS

The pre-numbered Custom Item Order Form is to be used when placing an order for custom items such as signage, custom stamps, furniture and any non-catalog items.

1. The Requisitioner supplies all ship-to, chartfield and approval information. Approver's printed name and signature are required.
2. Departments shall anticipate their requirements to allow adequate lead time for processing and delivery.
3. Supply Central shall provide a catalog featuring specially priced items commonly used throughout the University.
4. Fax copy to fax number that appears on the Custom Item Order Form

SUBJECT:

**ORIGINATING SUPPLY CENTRAL ORDERS**

APPLIES TO ALL DEPARTMENTS

**A. Material Received**

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None: Process starts with recognition of need for office supplies in any department.

**B. Operations**

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1. Log-in to the e-Requisitioning System to access Stapleslink from the i-Buy marketplace to order all items except custom stamps and signs. Create a shopping cart and submit to the e-Requisitioning System. The e-Requisitioning System will automatically create a Purchase Requisition. The System will check for chartfield validity and current funding availability, if applicable.

**The requisition will show:**

- a) Name of Requestor: Person for whom the materials/services are being ordered.
  - b) Tel. Ext.: Requisitioner's telephone extension.
  - c) Date Typed: Pre-populated by System.
  - d) Budget year to be charged. (i.e. 2007, 2008) Chartfield, up to 22 characters. If using more than one chartfield, indicate all chartfields and appropriate distribution.
  - e) Ship To: Pre-populated by System based on each user's profile.
  - f) Supplier's Name & Address is selected from the i-Buy marketplace.
  - g) Item No: Pre-populated by i-Buy.
  - h) Quantity: Number of units required
  - i) Item Description: Pre-populated by i-Buy
  - j) Unit Price: Price per unit. Pre-populated by i-Buy.
  - k) Total Cost: Quantity times unit price which is calculated by System.
  - l) Grand Total: Sum of all totals.
2. Route to authorizing persons for approval, of which some schools/divisions may have a drop down box for selecting approval person for routing purposes. E-mail notification is sent to Approver. Each user can be assigned a dollar threshold amount that defines their approval level. Approval workflow is managed by assigned school/division business managers.
  3. Check justification of purchase and authorize taking into consideration budget provisions and expenditures to date, if necessary. Approve Purchase Requisition or, if necessary, return electronically to end user for more information.
  4. After the Purchase Requisition is approved by the departmental administrator a Purchase Order is immediately transmitted directly to the i-Buy supplier, without review / handling by Purchasing Services. All i-Buy Purchase Orders begin with the prefix "E". If applicable, the Purchase Order may also be checked for fund availability before it is released to the supplier.
  5. Use Custom Item Order Form for custom or non-catalog items.
  6. For emergency orders Staples and Supply Central offer a Convenience Card that makes it possible for NYU staff to make emergency purchases at a Staples store. The card is specific to Staples and is similar to a credit card. Cards can be printed with either an individual's name or a department's name. All purchases would be charged to your department's chartfield. When you purchase a contract item you will receive either the NYU contract price or the store price, whichever is lower. For all other store items you would be charged the store price. Please check

with your department manager and budget office before submitting an NYU/Staples Convenience Card application. When filling out an application please clearly enter all requested information. Applications without an authorized approvers name and signature cannot be processed. Incomplete requisition applications or incorrect information will cause delays in processing your request.

**Note:** For School of Medicine Orders, online ordering is direct through Stapleslink.com. To set up an online ordering account, School of Medicine departments must submit a Stapleslink application.

SUBJECT:

## **SUPPLY CENTRAL COST REPORTS AND FILES AND LOGS**

APPLIES TO SUPPLY CENTRAL

1. Supply Central maintains the following files:
  - a) Active Orders. Supply Central has access to order history for StaplesLink, Supply Central Requisitions and Custom Item Order Form orders.
  - b) EDI Reports of all orders placed through our primary office supply supplier.
  - c) Copies of Supply Central Requisitions, and Custom Item Order Forms for all orders originated by Supply Central and placed through all other suppliers.

SUBJECT:

## **RECEIVING, RECORDING AND PROCESSING OF SUPPLY CENTRAL ISSUES**

APPLIES TO ALL DEPARTMENTS

### **A. Material Received**

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1. Office supply delivery.

### **B. Operation**

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1. Inspect the items/quantities received.
2. Compare items delivered to i-Buy or Stapleslink.com order.
3. Contact Supply Central if item(s) are missing, damaged or incorrect.

SUBJECT:

## **SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED BUSINESS CONCERNS – GENERAL**

APPLIES TO ALL DEPARTMENTS

### **A. General**

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1. It is the policy of the United States (Public Law 95-507) that Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals have the maximum practicable opportunity to participate in the performance of contracts let by any Federal agency.
2. It is likewise the policy of New York University to provide maximum opportunity to Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals to become sources of supply for the University.

### **B. Definitions (based on Federal Procurement regulations):**

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1. **Small Business Concern**  
The term "small business concern" means a small business as defined pursuant to section 3 of the Small Business Act and in relevant regulations promulgated thereto (i.e., a concern, including its affiliates, which is independently owned and operated, is not dominant in its field of operations, and can further qualify under criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the Small Business Administration).
2. **Small Disadvantaged Business Concern**  
The term "small disadvantaged business concern" means a small business concern which is at least 51 percent owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more socially and economically disadvantaged individuals whose management and daily business operations are controlled by one or more of such individuals.
  - a) Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.
  - b) Economically disadvantaged individuals are those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area that are not socially disadvantaged.

It is presumed that socially and economically disadvantaged individuals include African Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian-Indian Americans and other minorities, or any other individuals found to be disadvantaged.

3. **Women-Owned Business Concerns**
  - a) The term "women-owned Business concerns" means a business that is at least 51 percent owned, controlled and operated by a woman or women. Controlled is defined as exercising the power to make policy decisions. Operated is defined as actively involved in the day-to-day management.
  - b) For purpose of this definition, businesses which are publicly owned, joint stock associations and business trusts are exempted. Exempted businesses may voluntarily represent that they are, or are not, women-owned if this information is available.



**Note:** New York University acting in good faith may rely on written representations by concerns regarding their status.

**C. Responsibility**

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1. Purchasing Services is responsible for the following:
  - a) To maintain liaison with various public and private agencies and/or organizations dedicated to the identification and introduction of Small and Small Disadvantaged Business Concerns.
  - b) To maintain liaison with NYU Office of Grants accounting and US Governmental information on Small and Small Disadvantage Business Concerns and Subcontracting Plan matters.
  - c) To provide the maximum practicable opportunity for such business concerns (suppliers) to become sources of supply for the University.
  - d) To maintain appropriate records of such business dealings.

SUBJECT:

**SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED BUSINESS CONCERNS**

APPLIES TO PURCHASING SERVICES

This procedure specifies the principle functions of Purchasing Services that are directed toward identifying Small, Small Disadvantaged and Women Owned Business Concerns. These tasks are primarily consisting of preparing and maintaining files and records.

**A. Material Received**

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1. Purchase Requisition (see Procedure Number P110)

**B. Operations**

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1. Purchase Requisition is assigned to a Procurement Officer. The Procurement Officer consults the available listing of suppliers, and the supplier(s) suggested by the Requisitioner, and selects suitable bidders.
  - a) An affirmative obligation is assumed with respect to providing opportunity for Small, Small Disadvantaged and Women-Owned Business Concerns to conduct business.
2. Obtain price quotations.
3. Select the most suitable bidder.
  - a) An affirmative obligation is assumed with respect to placing business with Small, Small Disadvantaged and Women-Owned Business Concerns to conduct business.
4. If the award is made to a Small, Small Disadvantaged or Women-Owned Business Concern, the electronic purchasing system automatically retains and can report the information. (See Procedure Number P105)
  - a) Note the reason for the failure of a Small, Small Disadvantaged and Women - Owned Business Concern to receive the award (if such was the case - in the comment field file of the quotation file).