PURCHASING/WAREHOUSE MANUAL

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1/28/10
# TABLE OF CONTENTS

Purchasing/Warehouse Contacts...........................................................................................................1

Request for Check, Conferences, Subscriptions, Memberships, Fees, Confirming (C/F) Requisitions, Prepayments, Rush Orders, Line Item, Descriptions..............................2

“Printed Comments” Field, “Comments” Field, Ship to, Back-up Information, Quotes, Phoned-In Orders, Tax. .................................................................................................................3

Tax (continued), Credits, Discounts, Furniture, Blanket Purchase Orders...................4

Blanket Purchase Orders (continued) Independent Contractors, Bid Limit for Formal Bid, And Electric Tools & Equipment, Hazardous Materials, Monitoring Your Requisitions........................................................................................................5

Monitoring Your Requisitions (continued), Deleting Requisitions, Change Orders, Returns, Surplus, Donations.........................................................................................................................6

Gifts, Purchasing Calendar, Year End.................................................................................................7

Year End (continued), New Year.........................................................................................................8
When e-mailing Purchasing please direct them to the following people and at the same time cc DO-Purchasing:

Yolanda Talavera regarding:
1) Vendor Codes
2) Requisition issues
3) Office Supplies Blanket Orders

Carlos Marques
1) Expediting Purchase Orders
2) Receiving Issues
3) Independent Contractor Agreements

Peggy Graham regarding:
1) Expediting Requisitions
2) Change Orders
3) Blanket Orders other than Office Depot
4) Preventive Maintenance Agreements
5) Credit cards
6) Datatel access and training
7) Travel Program
8) Food and Vending Services
9) Donations
10) Inventory
11) Contracts

For Warehouse issues:

Steve Hulse regarding:
1) Deliveries and returns/exchanges of items from Purchase Orders
2) Surplus
3) Storage of Records (For DO Fiscal Services, Foundation, Chancellor, & HR only)

WAREHOUSE HOURS OF OPERATION:
Monday–Friday 8:00 am–4:30 pm. Closed from 12:00-1:00 pm

DELIVERY SCHEDULES FOR RECEIVED MATERIALS:
SJCC – Tuesday and Thursday
EVC/DO – Wednesday and Friday
REQUEST FOR CHECKS

1) If you already have the merchandise/service or if this is a non-receivable item (licenses, advertisements, and items referenced in item 3) and the total is $750.00 or under do not do a Requisition (Req), you should do a Request for Check. Original invoices/receipts must be attached. **No single item may be greater than $200.00 unless pre-approved by the Purchasing Supervisor or the Accounting Manager.**

2) **Conferences attended by employees, Subscriptions, Memberships and Fees** should not be paid from a Requisition regardless of the $ amount, they are to be paid for by Request for Check.

REQUISITIONS

PURCHASE ORDERS

1) **Receivable items and Services over $750.00 except as outlined in the section above must be purchased by entering a requisition prior to items being ordered.** (Exceptions: catering, advertisements, licenses, phones ordered through the operators, mailing service, and as referenced in the section above). Facilities may take exception so that grounds and maintenance may get their services and materials in an expedited manner. The libraries and health services may also take exception. **These exception requisitions are to be entered as follows:**
   a) Enter C/F (Confirming) in the "Ship To" field.
   b) Reference the invoice# and date or packing slip# and date in the "Line Item's Description" field (if there are more than 1 invoice#'s) or in the "Printed Comments" field (if 1 invoice# for the whole requisition).
   c) Forward your signed and dated packing slips and/or invoices to District Office Purchasing.
   d) C/F Purchase Orders are not mailed out to the Vendors.

2) **Prepayments** for materials and services are highly discouraged and must have pre-approval by the Purchasing Supervisor or Accounting Manager and must be processed on a requisition (exception: SVM). **No District Request for Check is necessary.** You must forward an invoice that references the prepayment to Purchasing, and reference the invoice and prepayment in the printed comments of the requisition.

3) If an order is a “**Rush Order**” please enter that into the “Priority” field of the Requisition and provide us with the Vendor’s FAX# in the “Comments” field. Rush and Critical flags have the same level of urgency. If it needs to be done immediately please also send Purchasing an e-mail.

4) **All requisitions must have a description that describes what is being purchased** in the “Line Item Description” field. A general description is acceptable for Blanket Purchase Orders (BPO), “misc. items” or “supplies” is not acceptable. Make it as detailed as possible and as general as needed. This description pertains to the individual line item only.

5) **Part#’s and Invoice#’s should be referenced after the description,** not on the first line of the description.

6) The “**Printed Comments**” field should only be used if it is your intention for it to be **printed on the actual Purchase Order (PO)** (Quote#’s, Invoice#’s, Notes for Vendor). These are comments that pertain to the PO as a whole.
7) The “Comments” field is for internal comments not to be printed on the actual PO. (New Vendor address, Fed ID#, contact information, note if it’s for an Independent Contractor Agreement or if a prepayment is needed and that a Request for Warrant is on the way). These are comments that pertain to the PO as a whole.

There is no need to duplicate information in the “Line Item Description”, “Printed Comments” and “Comments”. Each has their individual purpose.

8) All Items placed on a PO or a BPO must ship to the DO Warehouse unless it is an Office Supply BPO, extremely heavy, being installed by the Vendor, or contains hazardous chemicals. These exceptions must be shipped directly to the end-user, NOT to the campus mail center, and you must reference exactly where it is to ship to in the “comments” field of the requisition. If an item from a PO ships directly to the requestor they must sign and date the packing slip and forward it to Purchasing as soon as they receive it. Packing Slips for BPO’s should be forwarded directly to Accounts Payable.

All items will ship to the Warehouse unless specified otherwise on the requisition and approved by Purchasing.

Please note that for materials received by the Warehouse from BPOs the boxes are not opened and the items are not matched to the packing slips or inspected in any way. This is the responsibility of the requestor.

9) All Vendor Quotes, Maintenance Agreements, Independent Contractor Agreements, Contracts, Request For Warrants, and any other back up information pertaining to the Req must be forwarded to Purchasing with the Req# referenced on it before the requisition will be processed.

10) All requisitions for materials not received yet must have a hard or soft copy vendor quote forwarded to Purchasing before it will be processed. Quotes must include shipping and handling, tax, and all other charges. (Exception: If the pricing was found on Office Depot’s on-line web-site you do not need a quote but you must reference this in the “Comments” field.) A “shopping cart” from a website or an e-quote is not acceptable as it will not represent our district’s pricing structure. Quotes should also include lead time information so that you are aware of how long it will take to arrive.

11) Quotes must match the Req exactly (tax may differ), and the date must be no later than 30 days old.

12) If an order has not been received but the order has been phoned in you must reference this information in the “Printed Comments” field referencing whom you placed the order with. Vendor may not ship materials before they get a hard copy Purchase Order signed by Purchasing.

13) All receivable items on Req’s for Purchase Orders must be charged CA Santa Clara Sales Tax in the “Tax Codes” field in the “PO Item Maintenance” screen, whether or not it is being charged on the quote or invoice, even if the vendor is out of state and they say they don’t charge tax. You may not enter tax as a separate line item. Art Charges and Set-up Charges are taxable if they go into a receivable product. Shipping and Handling can be taxable and should be taxed unless specifically noted otherwise on an invoice/quote. Software is not taxable if we don’t receive any hard copy discs or manuals. Drugs and unprepared food are also exempt. The tax on the quote or invoice may not match the tax on the req. This is ok as long as the pre-tax amount on the line item is correct. Freight is Taxable when the Vendor uses their own truck. The tax on a
will call item will reflect the tax rate of the city it was picked up in. The highest of the two tax rates will apply.

14) **You may deduct a Credit Memo from a Requisition total.** In the applicable line item reference the original total amount, the credit memo number and credit amount, and send it to Purchasing with the Requisition number referenced on it.

15) **Discounts.** Unless you get pre-approval from the Accounting Manager we do not reflect discounts for early payment in the requisition. At this point in time we are not taking them. Other special discounts given to the district must be deducted from the line item in one of the trade discount fields.

16) **All Furniture Requests for an entirely new work space/classroom or to completely revise a current work space/classroom must go through our furniture consultant.** Our consultant will determine if it meets our standards on functionality, safety, pricing, and maintainability. If it is being charged to a facilities account you must get approval from Robert Dias before contacting the consultant. If the money is coming from your own budget you may contact the consultant on your own but you must set aside money in your budget for furniture consulting and do a separate Purchase Order to them to cover the cost.

**BLANKET PURCHASE ORDERS**

**Request a Blanket Purchase Order (BPO) for any of the following reasons:**
   a) you plan on placing more than 2 orders/yr with the same vendor
   b) you have a requisition with many items totaling < $2,500.00
   c) you only have an estimate as to what it will cost (repairs)
   d) you expect there to be a lot of changes (labor costs)

**You may bypass the requisition process for:**
   a) Office Supply Blanket Purchase Order requests by using the Office Supply Blanket Purchase Order Request Form.
   b) Blanket Purchase Renewals by using the Blanket Purchase Order Renewal Request Form.

- BPO’s must be identified in the “Priority” field of the requisition.
- BPO’s can only have one line item. You can list more than one item in the description but you can only enter one line item.
- Describe what you are going to be purchasing – you must be as specific as possible and as general as necessary.
- You must reference who in your organization will be using the BPO.
- Once a BPO has been expensed against you may not do a change order to add an Account#, change the Account#, or the amount of $’s split between Account#’s.
- BPO’s must have pre-approval from purchasing if they are to exceed $2,500.00.
- Only supplies under $200.00 may be ordered from BPO’s if you are charging against a supply account.
- Do not add tax to BPO’s, you must include the tax in the total BPO amount.
- Materials will ship directly to requestor.
- Signed and dated packing slips referencing the BPO# go directly to Accounts Payable (A/P).
- Estimates/contracts come to Purchasing referencing the req# on it.
Independent Contractor Agreements

All requisitions for Independent Contractors must have the Independent Contractor Agreement signed off as per referenced in the Contract Procedures and Guidelines Document and forwarded to Purchasing with the requisition Number referenced on them before they will be processed. Reference that an Independent Contractor Agreement is in process in “Comments” and flag the priority field as a BPO.

Formal Advertised Bids

1) All requisitions for Materials/Services over $70,000.00 including tax, freight, and any other possible charges, that do not already have Board Approval, must be sent to Purchasing 3-6 months prior to a PO being issued in order to allow enough time for the bidding process. You must allow for vendor processing time, manufacturing lead-time, and shipping time above and beyond that. If you already have Board Approval reference the Board Approval date in the Line Item Description.

2) All requisitions for Construction Work over $15,000 including all expenses must have Board Approval and the Board Approval date must be referenced in the Line Item Description. These Requisitions must go through Facilities for approval.

MISC. REQUISITION INFORMATION

1) Requisitions for Hazardous Materials must request a Material Safety Data Sheet (MSDS).

2) Requisitions for electric tools and equipment must meet Cal/OSHA safety standards and the specific code that it is compliant to must be referenced.

3) Requisitions for Waste Material and Recycling Material must reference the tonnage for the period that it was generated in the Line Item Description.

4) Monitor your Requisitions. Make sure that they are being processed.
   - Check your Requisitions by going into REQM and entering ;in xxxx (xxxx = initiator’s name ;in peggy graham)
   - Check all “In Progress” req’s by entering ;s u. If the Requisition Status is “In Progress” and it is approved by everyone except Purchasing make sure that that the status has been changed to requisition done “Yes”.
   - Check all “Not Approved” Requisitions by entering ;s n. If the Requisition Status is “Not Approved ” make sure that it has been forwarded to the Next Approver. If the Business Officer does not have Final Approval Authority over the referenced Budget# the Req will remain in limbo and will not get processed until it is forwarded and approved by all Final Approvers over all the Budget#’s.

5) Delete Requisitions you entered but do not want processed. Go into “REQM”, click on file, click on record delete.
CHANGE ORDERS

- Change Order forms are located in the Purchasing/Warehouse folder in Outlook in the Public Folders.
- Change Orders to decrease or close out BPO or PO's may be sent directly to the Purchasing Supervisor. All other changes must go through the same approval routing that an on-line requisition does.
- You may not change the gl acnt# on a BPO if it has been expensed against.

RETURNS

No returns for items under $25.00 unless approved by Purchasing. Please contact Steve Hulse-Warehouse Lead.

SURPLUS

Fill out form posted in the Purchasing/Warehouse Public Folder and send to Steve Hulse-Warehouse Lead, for pick-up. Please allow 1 week. Items must be sold through an advertised sale or auction unless the criteria under “Donations” have been met.

Request for surplus of all Technology Devices (computers, servers, etc.) must come from the Technology Department and must have all licensed software and any proprietary information removed prior to pick up if it is condition to be donated or sold.

DONATIONS FROM THE DISTRICT

Items may be donated or sold without advertising regardless of the value if they have been both determined that they are not required for district purposes and it is being donated to a school district, CCD or a Public Entity. Items may be sold to anyone without advertising if the total Value of all the items being donated or sold is $5,000.00 or under.

1. Fill out form posted in the Purchasing/Warehouse Public Folder and notify Steve Hulse-Warehouse Lead. Items must be itemized including description, district code #’s, and estimated value. Form must be signed by Dean and Business Officer.
2. Once approval has been given a letter must be received written by the recipient of the donation on the letter head of the institution.
3. After the two above items have been completed the recipient may pick up the donated items.

GIFTS TO THE DISTRICT

Questions to consider: Is it usable by the college, is it in good condition, does it meet safety and hazardous material standards, are there costs necessary to place the item into service, will it require modification, who will be impacted by the acceptance of the gift, do we have room for it, what is required to pick it up?

Procedures:
1) Written approval from Department to receive the donation, Purchasing, and Facilities (if appropriate).
2) A letter must be written by the person donating the item(s) referencing the items and their value and forwarded to the District Vice Chancellor of Administrative Services for placement on the Board agenda. Item(s) are to be tagged if the value has been set at more than $5,000.00.
PURCHASING CALENDAR

DEADLINES

Year End DEADLINES

February 12th  Last day to adjust Program plans so that the granting agency can approve that funds are available to meet the April 9th Requisition Approval deadline. (e.g. CALWorks, WIN, BFAP, EOPS, DSP)

February 26th  Review your budget and do any necessary budget transfers to make funds available for end of year purchases.

Review your Blanket Purchase Orders and decide which ones you want to do Change Orders to free up funds for end of year purchases.

March 19th  Last day for Change Orders and Budget Transfers to free up your budget to make additional funds available for requisitions for end of year purchases to be approved by department head.

March 26th  Last day for Change Orders and Budget Transfers for end of year purchases to be approved by Budget Officer.

April 9th  Last day for all Requisitions for all funds to be approved by department head or they will not be purchased for the 2009/2010 fiscal year budget. All documentation (pertinent invoices, quotes and contracts) must be forwarded to Purchasing.

Make sure that all your Requisitions have been processed and are not incomplete or unapproved. Check Appendix 4 in your Datatel Handbook or call Purchasing if you need to be shown how to search for this information.

April 16th  Last day for all Requisitions for all funds to have final approval by Budget Officer or they will not be purchased for the 2009/2010 fiscal year budget. All documentation (pertinent invoices, quotes and contracts) must be received by the Purchasing Dept. Requisitions will not be processed without pertinent documentation. After this date in order to process any Fund 10 requests the Budget Officer must send an e-mail to the Controller justifying the purchase referencing the Requisition# and vendor name in the subject line. If Controller approves, forward e-mail to Purchasing Supervisor.

May 14th  Last day to process any outstanding Independent Contractor Agreements and their associated requisitions.

May 21st  Last day for BPO Change Requests to be approved by department head.

May 28th  Last day for BPO Change Requests to be approved by Budget Officer.
June 30th

All materials and services must be received and invoiced if they are to be expensed to the 2009/2010 Fiscal Year. Purchasing will do their best to expedite all materials but will not be responsible if the requestor did not allow enough time.

All materials and services not received and invoiced by June 30th will automatically roll over to the next fiscal year. Make sure that you allow enough time for the materials or services to be received by June 30th if you cannot afford it in the new fiscal year.

PLEASE DO NOT ASK PURCHASING TO RETURN ITEMS THAT DID NOT GET RECEIVED BY JUNE 30TH BECAUSE YOU DON'T WANT TO EXPENSE IT TO THE NEXT YEAR.

Work with Accounting to accrue services on BPO's that were performed in 2009/2010 but that you have not received invoices for or they will not be expensed in 2009/2010.

NO MORE REQUISITIONS FOR 2009/2010 CAN BE PROCESSED AFTER THIS DATE.

Adhering to this schedule will enable the District Office to close out the fiscal year in a timely manner and to allow Purchasing the lead time it needs to process the new year’s Blanket Orders and Preventive Maintenance Agreements.

New Year

May 24th
Start sending BPO Renewal Requests and Office Supply BPO Requests for the new fiscal year.

June 1st
Start entering Requisitions for the 2010/2011 fiscal year. Remember to put in 07/01/11 for the “Requisition Date”. ONCE THE REQUISITION HAS BEEN FLAGGED AS DONE YOU MAY NOT CHANGE THE “REQUISITION DATE”! (EVEN THOUGH IT WILL ALLOW YOU TO DO THIS DOING SO WILL RESULT IN FUNDS BEING ENCUMBERED IN THE WRONG FISCAL YEAR!).

Please note that due to the large volume of requisitions/requests we get, there is a 3-4 lead time to get your requisitions/requests processed. The requisitions/requests will be processed in the order that we receive them with all the information that is necessary to process them. Please plan accordingly! The earlier you can get your requisitions in for new year purchases the better off everyone is. Requisitions will only be processed as a Rush if you e-mail or call the Purchasing Supervisor.