

## College Operating Procedures (COP)



**Procedure Title:** Purchase Orders  
**Procedure Number:** 04-1012  
**Originating Department:** Office of Financial Services

**Specific Authority:**

Board Policy 6Hx6:1.02; 6Hx6:4.01  
Florida Statute 287.017, 1001.02, 1001.03, 1010.04  
Florida Administrative Code 6A-14.0734

**Procedure Actions:** Adopted: 07/93; 06/06; 4/16/12; 1/08/13

**Purpose Statement:** A purchase order is a written authorization to a vendor to supply specified quantities of goods or services at agreed terms and at a designated time and place. All purchases shall be made in accordance with sound purchasing practices and in the College's best interests. The use of purchase orders is required by Florida Statute and Department of Education Administrative Rule.

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### **Guidelines:**

Purchase orders are required for the purchase of all goods and services which, for a single purchase event, in the aggregate exceeds \$250.00 except in the following circumstances:

- a. Travel related expenses that can be reimbursed via the Banner Travel and Expense Management Module.
- b. Registration fees for conferences and seminars for which payment is required in advance
- c. Purchases by student clubs using agency (Fund 6) account funds

### **Procedures:**

#### **PURCHASE REQUISITION**

An online purchase requisition must be submitted by the requesting budget administrator prior to the issuance of a purchase order. Refer to College Operating Procedure 04-1011 for details related to requests for purchase.

#### **I. COMPETITIVE PRICING**

##### **A. GENERAL REQUIREMENTS**

In order to assure the best price and other terms related to products and services acquired by the College, Procurement Services will encourage vendors to submit

price quotes with the knowledge that the College will attempt to enter into a purchase order with responsible vendors who offer the lowest competitive price.

B. PURCHASES \$0-\$14,999.99

Procurement Services will issue a purchase order to a vendor who provides the best product/service at an acceptable price and who can deliver the product/service within a reasonable period of time.

C. PURCHASES \$15,000-\$64,999.99

All purchases in this range require at least three (3) written quotations from responsible vendors except as noted later in this procedure. See College Operating Procedure 04-1004 Price Quotes.

D. PURCHASES EQUAL TO OR GREATER THAN \$65,000

All purchases of \$65,000 or more are required to have competitive sealed offers submitted to Procurement Services in accordance with College Operating Procedure 04-1002 Invitation to Bid unless it is an exception to competitive pricing as noted herein.

E. EXCEPTIONS TO COMPETITIVE PRICING

1. The following are exceptions to the competitive pricing procedures:

- a) Educational tests, textbooks, instructional materials and equipment, films, filmstrips, video tapes, disc or tape recordings or similar audio-visual materials, graphic and computer-based instructional software.
- b) Library books, reference books, periodicals, and other library materials and supplies.
- c) Purchases at the unit price or contract prices established through competitive solicitations by any unit of government established by law or buying cooperatives.
- d) Food.
- e) Services or commodities available only from a single or sole source.
- f) Professional services including, but not limited to, artistic services, instructional services, health services, academic program reviews,

lectures by individuals, attorneys, legal services, auditors, and management consultants.

- g) Information technology resources defined as all forms of technology used to create, process, store, transmit, exchange, and use information in various forms of voice, video and data, and shall also include the personnel costs and contracts that provide direct information technology support consistent with the College's information technology plan.
- h) Single source procurements for purposes of economy or efficiency in standardization of materials or equipment.
- i) Items for resale.

- 2. The College President or designee may waive solicitation requirements in emergencies when there is an imminent threat to students, employees, or public safety or in cases when necessary to prevent damage to the facilities caused by an unexpected circumstance in accordance with rules established by the local board of trustees.

## II. STANDING PURCHASE ORDERS

- A. Standing purchase orders are used when several purchases will be made with the same Vendor for the same use within the same fiscal year by the same department (same Index/Account)..
- B. These orders must include:
  - 1. The names of those employees who will have permission to make purchases against the standing purchase order.
  - 2. The dates within the current fiscal year that the standing purchase order will be in effect.
  - 3. The total amount of monies set aside for the purchases made under the assigned purchase order number.

## III. SPECIAL HANDLING REQUESTS

There will be occasions that necessitate special handling of purchase requisitions through normal channels. If the case requires it, the words "PREPAY", "EXPEDITE", or

“EMERGENCY” should be typed in the comment field of the purchase requisition. Poor planning does not constitute a reason to expedite a request for purchase.

#### IV. EMERGENCY PURCHASES

A purchase order number will be furnished by Procurement Services in advance of issuance of the purchase order in cases of emergency, which affect safety or critical operation of the College. In such cases, the Request for Purchase must follow within (48) hours.

#### V. CHANGES TO A PURCHASE ORDER

On occasion, changes must be made to existing purchase orders (i.e. price change, quantity change or other). When a change is necessary, a Request for Change Order must be submitted to Procurement Services. The Request for Change Order must be signed by the budget administrator. It should contain the following information:

1. Date
2. Purchase Order number
3. Original Purchase Order total price
4. Amount of change
5. Reason for change
6. New total price

#### VI. PURCHASE ORDER CANCELLATIONS

If a purchase order needs to be cancelled before delivery of same, it is the responsibility of the department to contact the Vendor and advise them of the cancellation. The department will then provide the following information to Procurement Services in order for the purchase order encumbrance to be removed from the banner system (1) Purchase Order Number (2) Vendor Name (3) Reason for cancellation and (4) confirmation that the department has notified the vendor of the cancellation.

#### VII. UNAUTHORIZED PURCHASES

Any order for goods or services or other commitment of College funds which require the issuance of a purchase order which is placed by an employee of the College prior to the issuance of a purchase order will be considered an unauthorized purchase. Unauthorized purchases are considered to be an act of insubordination and the employee may be subject to appropriate disciplinary action. Unauthorized purchases must be presented for approval to The Vice President of Administrative Services via a form entitled “Justification for Purchase without a Valid College Purchase Order”

#### VIII. PROCUREMENT REVIEW

Purchasing has the authority to question, examine or test the quality and kind of material or service requested by the requesting department, and may suggest to department heads, the selection of special types of materials or services.

IX. CONTRACT REVIEW

The Procurement Director shall evaluate at regular intervals multi-year contracts to determine if a follow-on contract should be negotiated or be subject to competitive solicitation.

X. F.O.B. POINT

All purchase orders requiring written quotations or a sealed bid will include prices F.O.B. (Freight On Board) Florida SouthWestern State College (i.e., shipping and handling costs to deliver the product to Florida SouthWestern State College will be borne by the vendor). Procurement Services may issue purchase orders with other F.O.B. points if it is in the best interest of the College.

XI. BUDGET REQUIREMENT

It is the responsibility of the requesting budget administrator to assure that sufficient funds exist in the departmental budget index/account to which the purchase will be charged. Purchase orders will not be processed if budget funds are not sufficient at the time the purchase order is entered in the Banner System.