



PURCHASING MANUAL

January 8, 2015

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Introduction

The primary purpose of the University's Purchasing Services Department ("Purchasing") is to work with faculty, staff and students in identifying, selecting, and acquiring needed goods and services. Purchasing strives to do this as economically as possible and within accepted standards of quality and service using professional ethics and best business practices, while obtaining the best value for the total cost and minimizing risk to the University.

Policies and procedures have been developed that allow purchases to be made in a timely and organized manner and that provide for essential accountability of institutional expenditures. Purchasing is charged with the responsibility and authority to commit the University to purchases as delegated by the Vice President for Finance and Administration, the President of the University and the Board of Trustees.

The Purchasing staff is prepared to assist the campus community in the following ways:

1. To provide cooperative interaction between the Purchasing staff and suppliers, and between the Purchasing staff and members of the faculty, staff and students.
2. To assist in the acquisition of goods and services through a Requests for Proposal (RFP) process and in the preparation of specifications for such RFP.
3. To provide faculty, staff and students with current product information, alternative materials and costs and value-added service.
4. To encourage fair and open competition among suppliers through negotiation, competitive bidding and contract buying.
5. To develop and maintain adequate procedures, controls, records and files.
6. To provide a Lab Stores operation for the purpose of providing convenient access to research-related items.
7. To work in collaboration with Purchasing Directors representing the Lehigh Valley Association of Independent Colleges (LVAIC) in establishing cooperative purchasing programs.
8. To support Lehigh's sustainability initiatives by promoting environmentally preferable purchasing practices.
9. To ensure that purchase orders and contracts contain all necessary terms and conditions to insulate the University against legal liability, maintain standards and ethics and apply purchasing best practices.

Mission Statement

The Mission of Purchasing Services is to provide quality client support by providing efficient and effective purchasing services in support of the University's educational and research goals. We will guide our clients in obtaining goods and services from appropriate sources at the lowest total cost while ensuring the best quality and service. Through the development and administration of policies and procedures, we will serve as an exemplary steward of the University's resources by facilitating the acquisition process, while striving to minimize risk to the University. Purchasing will create and maintain cooperative relationships and apply sound business practices while working with our clients and suppliers.

Purchasing Services Contact Information

Main Office: 516 Brodhead Ave., Bethlehem, PA 18015
Main Phone: 610-758-3840
Fax: 610-758-4783
Email: inpur@lehigh.edu

Hours of Service: 8:15 a.m. to 4:45 p.m., Monday through Friday

Website: <http://www.lehigh.edu/~inubs/purchasing/index.shtml>

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Program Coordinator
bkb204@lehigh.edu
610-758-3266

Linda Roberts
Accounting Coordinator
llr1@lehigh.edu
610-758-3841

Purchasing Policies

The policies listed below shall apply to all University expenditures. To view or print the policies, visit the Finance & Administration website at <http://cf2.cc.lehigh.edu/FAPolicies/>.

Policy 101: Purchasing Authority
Policy 102: Purchasing Policies Pertaining to Procurement of Goods & Services
Policy 103: Ethical Considerations of Purchasing
Policy 105: Purchase of Used Equipment
Policy on Conflict of Interest

Purchasing Authority

Please reference Policy 101.

Strategic Sourcing Managers are authorized to execute any contract for the expenditure of University funds to a limit of \$50,000; the Executive Director of Business Services is authorized to execute any contract for expenditures to a limit of \$100,000. The Vice President for Finance and Administration, or his/her designee, is authorized to execute contracts for budget expenditures in excess of \$100,000.

Requests to commit University funds for goods or services that exceed the approved operating budget should be directed to the Vice President for Finance and Administration along with supporting documentation from the University Budget Office.

Sustainable Purchasing

Sustainable purchasing is the purchase of environmentally preferable products and services. Environmentally preferable choices have fewer environmental effects on human health and the environment when compared to alternatives that serve the same purpose, according to the U.S. Environmental Protection Agency.

Purchasing strives to minimize or reduce greenhouse gas emissions and advance environmental stewardship by promoting the conservation and efficient use of resources. Consideration should be given to sustainability objectives when selecting suppliers, products and services. In support of the sustainable purchasing, easyPurchase (Lehigh's web-based procurement system) facilitates sustainable purchasing by providing information about environmentally preferred suppliers and products.

Suppliers

Selection of Suppliers

Please reference Policy 102.

Purchasing is responsible for selecting and approving sources of supply based upon their ability to serve the needs of the University in a safe, economical and efficient manner on a continuing basis. Important factors in supplier selection include past performance of suppliers and cooperation with the University.

Purchasing is committed to maintaining multiple sources of supply, including small, local, women-owned, disadvantaged and minority suppliers. Whenever possible, Purchasing will seek and consider more than one source. Purchasing prefers to maintain alternate or multiple sources of supply as a means of ensuring good value, performance, and service, and minimizing costs.

Requisitioners are encouraged to suggest sources of supply, particularly for unusual or non-standard items. Purchasing will follow a department's recommendation as much as possible. If a department requests a specific supplier with no substitutions, the department must provide adequate "sole source" justification on the requisition form for Purchasing's consideration.

Equal Opportunity

Suppliers doing business with Lehigh University are expected to be in full compliance with all applicable federal and state laws, rules, regulations and executive orders relating to non-discrimination, equal employment opportunity, and affirmative action. Neither the University nor its suppliers shall discriminate in either the provision of services, or in employment, against any person based on age, color, disability, gender identity or expression, genetic information, marital or familial status, national or ethnic origin, race, religion, sex, sexual orientation, or veteran status. The University will attempt, when possible, to purchase goods and services from small business concerns, especially those owned and controlled by socially and economically disadvantaged individuals. The University is committed to use available local resources.

Confidentiality of Prices

Pricing information solicited from suppliers is considered to be confidential and shall not be revealed to any other supplier or person. All University employees are responsible for conducting themselves with high ethical standards regarding pricing and supplier information.

The University is not responsible for the security of unsolicited information given to Purchasing by suppliers. However, the University will exercise normal diligence so that such information is not willfully used in a manner harmful to the supplier.

The Purchasing Process

Please reference Policy 102.

Pre-Planning Requirements

Purchasing cannot over-emphasize the need for departments to evaluate well in advance their need for goods and services. The time required for review and approvals and for Purchasing to issue a purchase order (“PO”) and secure delivery after receiving a properly prepared requisition can vary greatly depending on many factors. Additionally, delivery of ordered materials always depends upon the suppliers’ stock and/or availability.

Purchasing encourages submittal of requisitions well in advance of the required delivery date. University purchasing policy requires that all equipment and supply requirements in excess of ten-thousand dollars (\$10,000) be competitively bid prior to placing an order (Refer to Competitive Bidding section). In most cases, this process is accomplished within one (1) to three (3) weeks, depending upon the requirement. When requisitioning items that are used repetitively, specify the largest possible quantity and as many items as possible from common sources of supply. There should be no need to designate repetitively used items as “emergencies” if departmental requirements are properly planned.

easyPurchase

In addition to manual forms, Lehigh utilizes a web-based purchasing system. easyPurchase is a paperless user-based requisitioning system that integrates with Banner and adheres to existing financial review and approval requirements. All current suppliers are accessible in easyPurchase and many strategic suppliers have catalogs within the system for easy shopping. Because it is a web-based system, easyPurchase can be accessed from anywhere, including smart phones, ensuring timely review and approval and PO processing. Campus users must be approved and trained prior to being given access to easyPurchase. If you would like to become an easyPurchase user, contact Purchasing for more information.

Purchase Requisitions

A purchase requisition is used to initiate the procurement of all goods and services over \$4,999 that are not available from within the University community. The requisition is prepared by the Requisitioner and is forwarded to Purchasing. This occurs either manually using a requisition form or via electronic transmission through easyPurchase. The approval of an authorized Financial Manager on a purchase requisition authorizes Purchasing to contract for the materials or services specified.

REQUISITIONS MUST BE USED FOR CAPITAL EQUIPMENT AND OTHER PURCHASES \$5,000 AND OVER.

The Primary Purchasing Method

The purpose of this section is to explain the major steps in the procurement process. Please review this section before completing a purchase requisition. If any step in the process is not clear or if circumstances are unusual, please contact Purchasing (x 3840) for assistance. The following represents the basic steps in the general procurement process:

- a. Requisitioner completes a purchase requisition manually or via easyPurchase and submits to Purchasing. Requisitioner should fill out all areas on the requisition form.
- b. Requisitions submitted via easyPurchase will follow an electronic Financial Manager or Authorized Signer process before routing to Purchasing. Requisitions submitted manually must have Financial Manager’s or Authorized Signer’s signatures before sending to Purchasing.
- c. Purchasing verifies index financial authorization, checks the index for sufficient budget or fund balance, reviews documentation for policy compliance, recommends favorable alternatives (material or Supplier) if appropriate, secures competitive pricing, if required, and reviews terms and conditions.

- d. If all documentation is acceptable, Purchasing issues a PO. Encumbrance takes place immediately upon entry of the order into easyPurchase. (Encumbrance is the removal of the funds from the available budget balance.)
- e. Requisitioners must check the copy of the PO for accuracy as soon as it is received. If there are any errors, please contact Purchasing so the appropriate corrective action(s) can be taken. Purchasing will NOT be responsible for any incorrect information on the PO, or any costs associated with an incorrect order.
- f. The supplier ships the material or provides the services to the Requisitioner and sends an invoice to the Accounts Payable Department.
- g. Receiving (confirmation of receipt of goods) is required for orders \$5,000 and over. When the goods are delivered, confirmation is required by the department against the receiving copy of the PO provided via email from Purchasing after the order has been placed with the supplier. The receiving copy is then completed and sent to the Lab Store (6 Seeley Mudd Bldg).
- h. Purchasing checks the receiving report and enters the receiving information into Banner.
- i. When an invoice is received by the Accounts Payable Department, the invoice is checked in Banner against the receiving information and, if there is a match in quantity and price, payment is issued to the supplier.

Purchase Orders (PO)

The PO is the usual method by which goods and services are procured. It is a legal document issued by the University to the supplier that authorizes the spending of University funds in exchange for the supplier's goods or services. Once accepted, it has the legal force of a binding contract.

Transactions Not Requiring a PO

There are several types of expenditures that do not require PO authorization if under \$5,000; however, it is usually in the best interest of the department and offers greater protection for Lehigh if a PO is utilized, even if not required by policy. Payment for goods and services that do not require a PO should be authorized by submitting a Payment Approval Form to the Accounts Payable Department or by use of the OneCard to purchase the items. Visit the Accounts Payable Department website for a copy of the Payment Approval Form.

- Advertising – classified and display
- Books, texts, periodicals, educational materials, videos, etc.
- Clipping services
- Conference/seminar registration fees
- Emergency repairs
- Exhibit fees for artwork
- Film rental (contact Media Services)
- Food
- Freight charges not covered on purchase order
- Demurrage charges
- Memberships and dues (professional)
- Postage (stamps)
- Promotional items (T-shirts, banners, mugs, etc.)
- Relocation reimbursement /expenses (see Moving Reimbursement Policy on the Payroll Office's web page)
- Reprints of publications and technical papers
- Sample analysis
- Subscriptions
- Phone bills
- Travel (use Wells Fargo Commercial OneCard Expense Reporting (CCER) System)

Other PO Types & Purchasing Methods

There are ways to obtain goods and services from outside suppliers other than via a PO. The following methods have been established to provide additional flexibility, particularly in the procurement of supply items from local suppliers or when the material value is relatively low.

Limited Purchase Orders (LPOs)

LPOs can be used to purchase material or services up to \$4,999. They may not be used for the purchase of capital equipment \$5,000 or over, computers, or maintenance, lease or rental of equipment. They may not be grouped to cover a transaction which exceeds the \$4,999 limit.

LPOs are actual POs and the forms are available to departments in packs of thirty (30). The LPOs are pre-numbered forms and a control sheet is maintained to track the LPOs as they are used. The control sheet must be completed and returned to Purchasing before additional LPOs will be issued.

Blanket Purchase Orders (products, not services)

Blanket Orders are issued to suppliers for expendable supplies where the unit price of the item(s) or service(s) has been established by agreement or bid. Examples include the vendors approved by the University to supply toner cartridges. A Blanket Order Release Form must be completed for each release against an order. Blanket Orders are typically issued for a period of one year. There is no encumbrance in Banner until an invoice is received and the supplier is paid.

Lease Orders

Lease Orders are issued to suppliers for supplier-owned equipment that is under a lease contract for a specific period of time. Typically the Lease Order covers the equipment, maintenance services and consumables. The most common type of Lease Order is for copiers and multi-functional print devices. The fees are encumbered when the Lease Order is created.

Service Orders

Services Orders are issued to suppliers for services where the fees have been established by agreement or bid. An example is the annual generator maintenance services, based on an established inventory of equipment and defined service schedules. Service Orders are typically issued for a period of one year. In most cases, a contract or service agreement must be issued by Purchasing in conjunction with the Service Order. There is no encumbrance in Banner until an invoice is received and the supplier is paid.

Maintenance Orders

Contracts for maintenance service on University-owned equipment must be covered by a Maintenance Order. Contract documents should accompany the purchase requisition and be sent to Purchasing for review. The Requisitioner should not sign the supplier's contract documents. Blanket Order, LPO and OneCard are not to be used to initiate maintenance contracts, service contracts or leases.

Maintenance Orders are for a fixed amount and are encumbered upon creation. Invoices for annual maintenance agreements will be paid in advance by the Accounts Payable Department when received, as long as the invoice terms agree with the Maintenance Order.

OneCard

The OneCard Program provides an alternate, cost-effective and efficient method of purchasing and paying for small dollar transactions up to \$2,000 (or \$5,000 in some cases, depending on the card holders transaction limit). The card can be used to replace other purchasing processes including LPOs, Blanket Orders, and petty cash.

Benefits of OneCard include:

- Faster order placement

- Reduces the number of purchasing forms and processes
- Reduces the use of personal funds for University business transactions
- Reduces the number of reimbursements

For additional OneCard information, see the Purchasing website and the OneCard Policies and Procedures for more information (<http://www.lehigh.edu/~inubs/purchasing/WFBOneCard.shtml>).

Competitive Bidding

Please reference Policy 102. The University will generally receive greater discounts, service, and overall value through competitive bidding. Competitive bidding is required for all purchases \$10,000 or over, except as noted below. The Requisitioner is responsible for contacting a minimum of three suppliers to obtain competitive bids for the materials or services needed. Bids must be submitted to Purchasing with the requisition. The requisitioning department should contact Purchasing for assistance if unsure about procedure.

Competitive bidding is **not** required for requests of \$10,000 or greater when one or more of the following circumstances exists:

- Bids have recently (within the previous 12 months) been received for the same items or service and the bids are still valid.
- Item is a University standard (furniture, computers, etc.).
- The item must be purchased from a sole source distributor or manufacturer. Sole source justification is required.
- There is other justification for not soliciting competitive bids (memo of explanation must be provided).
- Item or service is purchased at University auxiliary business operations when purchased with non-University funds, such as Sodexo (Dining Services) Printing and Mailing Services or the Lehigh University Bookstore.

Purchasing has the right and responsibility to question and to require sole source justification regarding supplier selection.

Request for Proposal (RFP) Process

The RFP is a formal process and a best practice used by purchasing professionals to conduct competitive bidding, generally for services (e.g., consulting, website development, design, construction projects, engineering services, etc.). The RFP process ensures that information is conveyed to suppliers in an equitable manner. All suppliers receive the same document with the same information during an established time period. The RFP document provides information about the University's expectations regarding how to respond to the RFP, the specifications of the project, and general conditions with which suppliers are expected to comply. These conditions will become part of the contractual document with the supplier selected to provide the services.

Purchasing utilizes a standard RFP template, which has been reviewed by the Office of General Counsel and is updated regularly. This template contains information and requirements that will serve the best interest of the University in terms of risk management, safety, quality of information received on which to base the selection decision, and ultimately allow the University to select a supplier who provides the best value to Lehigh at the lowest total cost and at minimized risk.

Early engagement with Purchasing is critical to a successful RFP process. Purchasing should be contacted as soon as a need is identified, and Purchasing will work with the initiating department to explain the process, develop an RFP plan, develop the RFP document, and administer the RFP process, from initial contact with suppliers through evaluation of supplier proposals, selection of the supplier, negotiation of a final contract and correspondence with the bidders who are not selected. Depending on the complexity of the RFP, departments should allow two to six weeks to complete the RFP process.

Lehigh University Contracts Administration (LUCA)

Since a contract is a legally binding document, it is imperative that all contracts (regardless of document name: contracts, agreements, memoranda of understanding, proposals, terms and conditions, etc.) are reviewed by the appropriate University offices to ensure that the University's interests are adequately addressed and protected.

Purchasing, the Office of General Counsel, the Office of Research & Sponsored Programs and Library & Technology Services developed LUCA as an on-line process for submission of all contracts that require University signatures.

Access LUCA from the Purchasing website or on the *Inside Lehigh* page under "Contract Review" in the popular site drop down list. University faculty and staff are directed to LUCA to answer a few basic questions about a contract (including selecting from a pre-populated list of contract types) and upload the contract directly to the site. Based upon the responses provided, the contract will automatically be routed to the appropriate office for review. In addition, the submitter will receive an automatic response acknowledging receipt of the contract, confirmation of the requested review response date and notification of the office assigned to review the contract. Behind the scenes, each of our offices will be able to access the contract from a single database and review those portions of the contract requiring our input.

Receiving and Invoice Payment

Receiving – General

We have a responsibility to our suppliers to pay promptly for any goods or services received. Since Lehigh does not have a central receiving department, most deliveries are made directly to the requisitioning department. **It is important that individuals accepting incoming shipments be certain that the materials have been ordered by their department (preferably before it is unloaded from the truck) and before signing the delivery slip.** If only a PO number is indicated, call Purchasing for proper identification. If a package has been addressed to the wrong department, the driver will often deliver to the correct department if the shipment has not been removed from the truck or if it is a small carton. Receiving is not required with any small dollar orders (< \$5,000).

Receiving Procedures

It is recommended that the following procedures be followed when goods are delivered to your department:

- a. Properly identify the goods and retrieve the departmental copy and receiving copy of the PO.
- b. Check whether the package being delivered agrees with the delivery ticket and the bill of lading.
- c. Inspect the package and contents for any obvious damage. Note any damage on the delivery ticket and ask the driver to verify it with his signature prior to your signing for the delivery. Any carton damage should be noted. Make a copy of the document for your files.
- d. The merchandise recipient is responsible for promptly unpacking and carefully inspecting shipments. This should be done as soon as possible after delivery, but in no more than 10 days. Keep all containers, packing material, wrappers, etc. until the inspection is complete and you are satisfied the merchandise has been received as ordered.
- e. After goods have been received and inspected, the receiving copy of the PO should be completed and forwarded to Sharon Zurick (shz3@lehigh.edu) in Purchasing. Any discrepancies, shortages, or damages should be noted on the receiving report. The recipient should make the initial contact with the supplier to resolve any problems or discrepancies pertaining to the delivery. If the department cannot reach a resolution with a supplier, Purchasing will attempt to resolve the situation in order to protect the University's interest and to complete the transaction.

Multiple Receipts on a Single Order

Periodically, more than one delivery is required to complete an order. The receiving copy of the PO is used to confirm partial order delivery and then submitted again once the remaining items are received.

Claims for Damages or Shortages

In cases of damage or shortage to a shipment, it is important that the recipient retain all shipping documentation and packaging materials.

If the damage or shortage is not evident at the time of delivery, the carrier must be notified within 15 days of delivery. The carrier will then arrange for an inspection. Accordingly, it is extremely important that all containers, packaging material, wrappers, etc. be retained for the carrier's inspection. Failure to keep this material may void the chance of processing a claim for reimbursement with the carrier or supplier.

Once the claim inspection report has been received from the carrier or supplier, Purchasing can assist in determining the responsibility for processing the final claim report, depending upon the shipping provisions defined in the contract or PO.

Return of Merchandise

Merchandise to be returned to suppliers or manufacturers for adjustment or credit should be coordinated by the merchandise recipient, with assistance from Purchasing, when needed. When a supplier has shipped items specified on the PO, they have legally complied with their part of the contract and are under no obligation to accept for credit any items delivered as specified.

The supplier's acceptance of a return is not automatic and the supplier may assess a restocking charge. This charge, along with any freight charges, will be the responsibility of the requisitioning department.

Payment of Invoices

All invoices are paid by Accounts Payable (A/P). Invoices received at other departments should be reviewed and forwarded to A/P. Invoices for items on a PO (POs are used for purchases of \$5,000 and over) will not be paid until the receiving report has been completed and sent to Purchasing. Invoices for items on an LPO (up to \$4,999) will be paid by the due date unless A/P is notified to hold payment with a valid justification (e.g., item not received or was damaged).

For cases in which the pricing on a PO represents an exact current price (bid, telephone quotation, etc.) the invoice must agree with the PO or payment will not be made until the discrepancy is resolved. If the pricing on the PO has been estimated, the invoice will be paid if the total cost per line item (not including freight) does not differ from the PO by more than \$50. If the difference exceeds \$50, then A/P requires departmental approval prior to payment.

Regarding freight costs, the two most common scenarios are "freight included," in which freight charges are stated on the quote, and the department knows the freight cost when preparing the requisition, and the PO already includes the specific freight cost. Sometimes the freight is quoted as "prepaid and add." If this is the case, the department knows there will be a freight charge added to the PO, but the cost is not yet known; they will be charged the actual amount once it has been determined, and it will be included later on the supplier's invoice. In this scenario, the department does not know the specific amount of the freight at the time of requisition, but knows it will be charged for freight at some point later in the process. The University is a tax exempt institution. Many suppliers will remove tax charges upon receipt of Lehigh's PA Tax Exemption Certificate. Please contact Purchasing with questions regarding Lehigh's tax exempt status or see the Sales Tax section in this manual

The department's authorization to pay freight charged is based upon the department's submission of the quote and requisition to Purchasing as part of the requisition process, and the department's signature validating the requisition, whether it be for a "freight included" scenario or a "pre-paid & add" scenario. It is the department's option to finalize the charges ahead of time with the supplier in the quote process, and pay it up-front as "included," or wait for the charge(s) to be billed at a later time, upon final invoice. Either way, the department is agreeing to pay the freight when they submit a signed requisition with the freight terms as part of the requisition.

Sales Tax

Lehigh University is exempt from Pennsylvania sales and use tax for most purchases related to the education and research mission of the University. It is the supplier's obligation to collect PA sales tax. However, the University has the obligation to preclude the unauthorized use of its sales tax exemption. The Commonwealth of Pennsylvania can assess the University for sales and use tax in instances where an exemption certificate was used for nonexempt purchases.

Purchasing will review incoming requisitions for the appropriate use of Lehigh's sales tax exemption certificate, issuing the certificate for Pennsylvania purchases when appropriate. If Purchasing is unable to determine the applicability of the sales tax exemption for a particular purchase, or if the supplier is out of state, Purchasing will defer to the Tax Analyst in the Controller's Office for guidance and direction as needed. The Tax Analyst is responsible for the interpretation of sales tax legislation as it applies to University purchase and will consult with the Office of General Counsel for guidance, when appropriate. The requisitioning department is responsible for providing supporting documentation to determine taxation, as required. To assist in determining if goods are taxable or not, we encourage departments to provide the Sales Tax Itemization Form (see Appendices) to suppliers to complete in order to provide the necessary detail to make the sales tax determination.

In all cases, use of the University sales and use tax exemption for personal purchases is prohibited. The University sales tax exemption does not include charges subject to hotel occupancy tax, purchases unrelated to the University's mission, and certain building maintenance and construction related costs.

Shipping/Handling/Freight

It is strongly suggested that the requesting department review all shipping terms on supplier quotes and if not on the quote, discuss this with the supplier. There are various shipping methods, but Purchasing strongly recommends "FOB Destination." This stands for "Freight on Board" Destination and means that the liability for safe shipping and delivery is the responsibility of the supplier and if there is any damage during shipment, or loss of shipment, the claim process with the carrier is the responsibility of the supplier and not the University. Most quotes will be FOB Origin, which transfers the liability to Lehigh as soon as the item leaves the supplier's property. Many suppliers will change the FOB designation if requested, or if the requester agrees to pay shipping in advance and uses Lehigh's preferred carrier (ABF Freight).

Expediting and Tracing

In order to expedite or locate an order, the Requisitioner should request delivery information from the supplier, and resolve any dispute or discrepancy. If a good faith effort to resolve issues with a supplier is not successful, then, upon request, Purchasing will phone the supplier and/or assist the department to expedite or trace orders. Communication with the supplier concerning discrepancies, delivery, descriptions, cancellations, or modifications should initially be made by the requisitioning department, and then by Purchasing.

International Shipping

The University uses a customs broker to clear your import shipments through U.S. customs. The broker will need a number of documents. Customs clearance is a unique process with special requirements. It is the department's responsibility to engage a professional customs broker for customs brokerage.

Documents required for customs entry:

- 1) Power of attorney
- 2) Copy of the ocean or air bill of lading (shipping documents)
- 3) Copy of the commercial invoice
- 4) Copy of the packing list

All of the above documents should come from your foreign supplier. The commercial invoice should contain a clear and complete description of the merchandise being shipped, country where the goods are made, the value of the merchandise in U.S. dollars, terms of sale, and the manufacturer's name and address.

A customs broker will charge you a fee to process the goods through the U.S. Customs system. These fees vary by broker. In addition, you will be charged "duty," which is determined by the commercial value of the goods and what classification they are assigned in the Harmonized Tariff Schedule of the United States (a sort of "tax schedule"). The "duty" is set by the U.S. government. A customs broker will pay the duties on our behalf to the U.S. government as part of the "customs clearance" process.

A customs broker can also arrange the inland trucking from the ocean port or airport to the final delivery location in Bethlehem, and then present a consolidated invoice which includes the broker fee, the duty paid, and transportation charges. Barthco International is Lehigh's customs broker (267-570-2843).

Overnight Shipping

Lehigh has established discounts with Fed Ex and DHL. Visit the Purchasing website at <http://www.lehigh.edu/~inpur/lehighinternal.html> for information and instructions on how to print mailing labels. The website also has links for tracking shipments.

Research Grants and Contracts

Please reference Policy 102. Requisitions for purchases of \$5,000 or more against research indexes (accounts range between 529000-592999 or 610500 – 611499) must be approved by the Office of Research and Sponsored Programs (ORSP) prior to forwarding to Purchasing. The Requisitioner should therefore send the requisition to ORSP, which will then forward to Purchasing.

It is important that the University's competitive bidding requirement be adhered to when purchasing equipment or supplies against research grants or contracts. In order to minimize any potential delay to a Principal Investigator (PI), the competitive bidding process may be initiated prior to receiving formal notification of the grant or contract from the sponsoring agency. The PI should secure a written statement from ORSP indicating that approval is expected on a pending application. If an item is to be purchased from a sole source supplier, the PI must provide sole source justification.

Under the requirements of the federal Office of Management and Budget (OMB) Circular A-110 and A-133 audit requirements, the University is required to screen existing equipment to determine availability for use prior to purchasing new equipment. Therefore, Requisitioners must complete the Equipment Screening Certification (ESC) section of the purchase requisition.

The PI is responsible for ensuring that the equipment screening process is followed. If the equipment is not available on campus, he/she must sign the ESC.

Prior to submitting a requisition to Purchasing, the PI must complete the ESC and sole-source sections and obtain signatures from the department and ORSP.

Process Overview:

1. Department submits requisition.
2. If a research indexes is charged for a capital equipment purchase over \$5,000, the ESC section is required to be signed by the Financial Manager or authorized signatory and the PI must complete the sole-source justification form on the reverse side of the requisition.
3. If a research index is charged for a non-capital item over \$5,000, only the sole-source justification section of the requisition must be completed.

4. If these sections are not completed, Purchasing will return the requisition. (NOTE: Purchasing may also have cause to change the index number on the requisition as directed by others. If a non-research index is changed to a research index, the procedures are followed beginning in 3 above.)
5. The department obtains ORSP review, approval and signatures and resubmits to Purchasing.
6. Purchasing proceeds to process the PO.

General Information (various topics, alphabetically)

Cancellation of Orders

A PO is a binding contract between the University and the supplier. Therefore, it cannot be modified or canceled unilaterally. Any request to modify or cancel a PO or contract should be directed to Purchasing in writing. Purchasing will act in cooperation with the department and in the best interest of the University to advise all parties accordingly.

Generally, a supplier will agree to a request for cancellation if the items have not been shipped. The department may be held responsible for any material shipped by a Supplier or costs of fabricated items incurred prior to cancellation.

Change Orders

If it becomes necessary to make any change to the original PO, a change order or written correspondence (memo or email) outlining the change(s) required should be sent to Purchasing. Purchasing will notify the supplier in writing.

Check with Order / Advance Payments

At times, it is necessary to make advance payments for goods or services. In such cases, the Requisitioner must indicate on the requisition that a check should accompany the PO. Pre-payment will be made at the discretion of and arranged with Purchasing and Accounts Payable. An invoice from the supplier will be necessary.

Conflict of Interest

Please reference Policy 103. Only the highest ethical principles are to be employed by all persons involved in the procurement process. It is the responsibility of each member of the University faculty and staff and of Purchasing to take all appropriate steps to assure that the University does not knowingly enter into a purchase commitment which could result in a conflict of interest situation. A conflict of interest exists when some factor (e.g. financial or personal interest in a supplier) interferes or appears to interfere with or influence a purchaser's ability to be completely impartial and loyal to the University's interests. The University's Policy on Conflict of Interest can be viewed at <http://www.lehigh.edu/~policy/university/coi.htm>.

Demo Equipment

The recipient of demo equipment should complete a "No Charge" requisition PRIOR to receipt of the demo equipment, and Purchasing should issue a "No Charge" PO PRIOR to the equipment being received on campus. A "demo equipment agreement" should be completed and signed by the company supplying the demo equipment prior to delivery of the equipment to Lehigh. Lehigh is in no way obligated to purchase such equipment if the supplier signs Lehigh's demo equipment agreement template. However, if Lehigh signs the supplier's agreement template, it may be obligated to do so.. Please work with Purchasing to obtain the demo equipment agreement. Risk Management may also need to be contacted by the recipient of the demo product if the value of the equipment is significant for possible insurance issues.

Personal Purchases

Please reference Policy 103. The University will not purchase, with its own funds, any supplies, or equipment for the personal use of the University staff nor will arrangements be made by Purchasing to create any buyer-seller arrangements between staff members and University suppliers. Suppliers, however, may, at their own discretion,

extend University discounts and/or contract rates to University staff on personal purchases. This information can be found on the Purchasing website under the “For Faculty and Staff” section.

Standardization

Commonly used items (e.g. copiers, computers, and laser printers) are standardized as much as possible in order to gain maximum quantity discounts, to lessen the variety of items carried in stock and various departments, and to reduce the number of small orders at retail prices and expensive processing costs. Standards are determined by Purchasing in conjunction with major users in the University community.

Special Procurement Items & Services

Air Conditioners

All requests for air conditioning equipment (window units and otherwise) should be directed to Facilities Services at x3970. Purchasing will not order air conditioners without approval from Facilities Services.

Computers

The University has contractual arrangements for computers with Apple, Dell, HP, and Lenovo. Inquiries regarding the technical configuration of microcomputer systems should be directed to the appropriate desktop consultant in LTS assigned to your departmental area. Requisitioners should have their requests for purchase from external suppliers reviewed and pre-approved by the consultant prior to initiation of a PO by Purchasing. Quotations can be obtained by accessing the particular company’s internet website. Computers must be purchased via a PO. The only exception is the iPad, which can be purchased using a PO or via the OneCard.

Furniture, Fixtures and Interior Design

Requests to add or replace single pieces of furniture to match existing styles should be directed to Purchasing. Larger projects requiring space re-arranging or relocation should be directed to Facilities Planning and Renovations at x3978.

Interior design services are provided by Facilities Planning and Renovations to ensure that we use space properly, maintain quality standards, and adhere to regulations concerning material flammability, accessibility for the disabled and any other obligations or requirements.

General Contracting

All contracting for construction, renovation, etc., should be coordinated with or approved by Facilities Services at x3970 or Facilities Planning and Renovations at x3978.

Office Supplies

Office supplies are available through Office Depot, the University’s contracted supplier, by ordering online at the supplier’s website (<https://bsd.officedepot.com/index.do>) or via Office Depot’s easyPurchase catalog. Before doing so, you must set up an individual account through Purchasing. The following information must be emailed to the Purchasing Coordinator: name, phone number, fax number, campus (Asa Packer, MountainTop, or Goodman), building number, floor number, room number and Lehigh’s internal index (accounting) number that will be charged for the supplies. Once that information is received, an individual account will be set up and you will be provided with the username and password. Office Depot will deliver orders directly to departments on a daily basis at no additional charge.

Printing

The University’s Printing & Mailing Services is located on the Mountaintop Campus. Printing & Mailing Services provides copying, printing, and mailing services to the University community and accepts work from University

departments, affiliated centers and organizations, and student groups. They also offer services to alumni and LVAIC schools.

Printing Services should be consulted regarding its capability to produce the required goods, or at a minimum, be included as one of the competitive bidders.

Printing Services' goal, as Lehigh's on-campus preferred supplier, is to produce the highest quality products in a timely fashion and at a competitive price, while making the process as easy and streamlined as possible. **Lehigh policy allows a Requisitioner to "bypass" the requirement of obtaining three bids for printing jobs over \$10,000 by using a "preferred" supplier—in this case—Lehigh's own Printing & Mailing Services.**

Any work product that requires printing, whether created internally or by an external designer, is the intellectual property of Lehigh University. Purchasing of printed materials, even if coordinated by an external printer/supplier, remains subject to the same criteria as work contracted by a Lehigh employee (i.e., three written quotes are required for jobs over the \$10,000 threshold limit). **The designer should present three printing quotes to the Lehigh employee for Lehigh's selection of the printer PRIOR to a designer placing the work.** External designers should be advised of this requirement at the time the design process begins.

Lehigh employees are strongly encouraged to have external designers use Lehigh's Printing Services as one of the three printing bidders, or, after receiving quotes from suppliers, use **Easy Price Check** (www.lehigh.edu/~inubs/printing/easyprice.shtml) to determine if Lehigh Printing is able to offer a lower price/better value.

Radioisotopes

1. Only Authorized Users may purchase radioactive materials.
2. Inform the Radiation Safety Officer (RSO) at Environmental Health and Safety (EH&S) at x4251 with the quantity, isotope(s), supplier, PO number and approximate time and day the delivery is expected. When a **highly radioactive or special handling** material is to be ordered, the prospective purchaser must first contact the RSO so that special procedures may be devised dependent on the specific handling requirements of that material.
3. When placing the order, inform the supplier to put **your name** on the packing slip so that when the RSO receives it (for inventory purposes and wipe-testing), he/she will know whom to call to have the sample picked up.
4. Indicate to the supplier that sample must be delivered to:

(your name)
Lehigh University
Environmental Health and Safety
616 Brodhead Avenue
Bethlehem, PA 18015

Note: Only low-level radioactive materials are to be delivered to this address. See 2 above for handling of highly radioactive material.

5. Upon receipt of the shipment, the RSO or his/her trained designee will then wipe-test and/or survey the outside surface and inventory the quantity and type of radioisotope.
6. EH&S will notify the Authorized User that the isotope may be picked-up.
7. The Authorized User or his/her designate shall inventory the radioisotope in the data logbook kept in his/her research lab.

Relocation

The University does not contract directly with moving companies for employee relocation. As a best practice to minimize risk and liability to the University, a new staff or faculty member contracts directly with the moving company, and the University reimburses the employee for his/her expenses as agreed upon with the hiring

department. Contact Purchasing for a list of moving suppliers with University, E&I or LVAIC contracts. See the “Moving and Reimbursement Policy” on the Controller’s web site for additional information regarding the moving and reimbursement process.

Specialty Gases

Purchasing has arranged fixed, annual pricing agreements with local supplier of specialty gases for laboratory use. Requests should be directed to the Laboratory Storeroom at x3483.

Travel Services

Travel services are available through Travel Leaders, the University’s contract supplier. Travel arrangements can be made online through the Concur site (<https://www.concursolutions.com/Default.asp?host=travelleaders>) or by calling a travel agent at 866-502-1924. Prior to making arrangements either online or through an agent, faculty and staff must have a travel profile set up in order to utilize their index number directly through the pre-established AirPlus Direct Bill card. Alternately, the Wells Fargo OneCard can be added to the Travel Leaders profiles for flight, hotel and vehicle rental reservations. To establish a Travel Leaders profile, the following information needs to be emailed to Brenda Bachman at bkb204@lehigh.edu: Name as it appears on your government issued ID, Lehigh ID, campus address, campus phone number, home address, home phone number, cell phone number, birth date, seating preference, frequent flier number(s), name(s) of person on campus who can arrange travel for you and index number to which the flight will be charged.

University Stationery

University letterhead, envelopes and business cards have been standardized. Requirements for these items should be directed to Printing and Mailing Services, Building J, Mountaintop Campus at x3108.

Vehicle Rentals

Transportation Services has established contracts and rates for rental vehicles available for business and personal use. Contact the office directly at x4410 for pricing and availability.

APPENDICES

- 1. Purchasing Policies**
- 2. Requisition Form**
- 3. Limited Purchase Order Form**
- 4. Purchase Order (Sample)**
- 5. Blanket Order Release Form**
- 6. Sales Tax Itemization Form**



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Purchasing Services
516 Brodhead Avenue
Bethlehem, PA 18015-3008
610.758.3840 Phone 610.758.4783 FAX
www.lehigh.edu/~inpur/inpur.html

Policy Number: 101
Effective Date: circa 1990
Revisions: 9/1/2005
10/23/12
7/5/13
Applicability: All Purchases and Contracts

PURCHASING AUTHORITY

Purpose:

To define the authority for committing the University to the procurement of goods and services.

Policy:

Purchasing Services is responsible for purchasing goods and services on behalf of the University. All end users must adhere to all University purchasing policies and procedures. All purchases chargeable to Lehigh University must be authorized by an official University purchasing method. To ensure that University objectives are met and that specific needs of end users are recognized and served, responsibility and authority for purchases of various goods and services may be delegated to financial managers within each department.

Since a contract is a legally binding document, it is imperative that all contracts (regardless of document name: contracts, agreements, memoranda of understanding, proposals, terms and conditions, etc.) are reviewed by the appropriate University offices to ensure that the University's interests are adequately addressed and protected prior to contract execution.

Any other commitments, or purchases made outside of the rules and procedures of authorized purchasing methodologies, are considered unauthorized purchases and the individual may be held financially liable to the supplier or the University.

The Strategic Sourcing Manager is authorized to execute any contract for the expenditure of University funds to the limit of \$50,000; the Executive Director of Business Services is authorized to execute any contract for these expenditures to a limit of \$100,000. Contracts for budget expenditures in excess of \$100,000 must be executed by the Vice President for Finance and Administration.

Contracts for special services may require additional approvals. The General Counsel's Office must approve in advance any engagement of outside legal counsel to advise or represent the University. The Internal Auditor must approve in advance any engagement of outside accountants or auditors. All other contracts for special services may, at the discretion of Purchasing Services, be submitted to the Vice President for Finance and Administration for review and/or execution.

Keywords: Purchasing, Contracts, Signature Authority



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516 Brodhead Avenue
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www.lehigh.edu/~inpur/inpur.html

Policy Number: 102 (consolidation of policy 102, 103, 107)
Effective Date: circa 1990
Revisions: 9/1/2005
10/23/12
7/5/13
Applicability: All Purchases and Contracts

PURCHASING POLICY PERTAINING TO THE PROCUREMENT OF GOODS & SERVICES

Purpose:

To provide parameters related to appropriate supplier engagement, expectations regarding pricing and equal opportunity, and define approved methods of procuring goods and services for the University.

Policy:

SELECTION OF SUPPLIERS

Purchasing Services is responsible for selecting and approving sources of supply. Purchasing Services selects potential suppliers based upon their ability to serve the needs of the University in a safe, economical and efficient manner on a continuing basis. Important factors in supplier selection include past performance of suppliers and cooperation with the University.

Purchasing Services is committed to maintaining multiple sources of supply, including small, local, women-owned, disadvantaged and minority suppliers. Whenever possible, Purchasing will seek and consider more than one source. Purchasing prefers to maintain alternate or multiple sources of supply as a means of ensuring good value, performance, and service, and minimizing costs.

Requisitioners are encouraged to suggest sources of supply, particularly for unusual or non-standard items. Purchasing will follow a department's recommendation as much as possible. If a department requests a specific supplier with no substitutions, the department must provide adequate "sole source" justification on the requisition form for Purchasing's consideration.

EQUAL OPPORTUNITY

Suppliers doing business with Lehigh University are expected to be in full compliance with all applicable federal and state laws, rules, regulations and executive orders relating to non-discrimination, equal employment opportunity, and affirmative action. Neither the University nor its suppliers shall discriminate in either the provision of services, or in employment, against any person based on age, color, disability, gender identity or expression, genetic information, marital or familial status, national or ethnic origin, race, religion, sex, sexual orientation, or veteran status. The University will attempt, when possible, to purchase goods and services from

small business concerns, especially those owned and controlled by socially and economically disadvantaged individuals. The University is committed to use available local resources.

CONFIDENTIALITY OF PRICES

Pricing information solicited from suppliers is considered to be confidential and shall not be revealed to any other supplier or person. All University employees are responsible for conducting themselves with high ethical standards regarding pricing and supplier information.

The University is not responsible for the security of unsolicited information given to Purchasing by suppliers. However, the University will exercise normal diligence so that such information is not willfully used in a manner harmful to the supplier.

COMPETITIVE BIDDING

The University will generally receive greater discounts, service, and overall value through competitive bidding. Competitive bidding is required for all purchases \$10,000 or over, except as noted below. The Requisitioner is responsible for contacting a minimum of three suppliers to obtain competitive bids for the materials or services needed. Bids must be submitted to Purchasing with the requisition. The requisitioning department should contact Purchasing for assistance if unsure about procedure.

Competitive bidding is not required for requests of \$10,000 or greater when one or more of the follow circumstances exists:

- f. Bids have recently (within the previous 12 months) been received for the same items or service and the bids are still valid.
- g. Item is a University standard (furniture, computers, etc.).
- h. The item must be purchased from a sole source distributor or manufacturer. Sole source justification is required.
- i. There is other justification for not soliciting competitive bids (memo of explanation must be provided).
- j. Item or service is purchased at University auxiliary business operation such as Dining Services, Printing and Mailing Services, or the Lehigh University Bookstore.

Purchasing has the right and responsibility to question and to require sole source justification regarding supplier selection.

PURCHASES UNDER \$10,000

Competitive bidding:	Not required
Procedural methods:	OneCard (up to card limits) Limited Purchase Orders (up to \$4,999) Blanket Purchase Orders/Blanket Order Release Form

PURCHASES \$10,000 OR OVER

Competitive Bidding:	Required
Procedural method:	Purchase Order

CAPITAL EQUIPMENT \$5,000 OR OVER

Purchase Orders must be used for capital equipment purchases \$5,000 or over.

PROFESSIONAL SERVICES \$5,000 OR OVER

Professional services \$5,000 or over (such as consulting services, construction, etc.) require the issuance of a Purchase Order and, if necessary, an appropriate contract created by Purchasing Services. Part of the contract process includes determining if the consultant should be classified as an independent contractor or an employee. Purchasing will involve the Controller's Office if the classification is not clearly that of independent contractor.

ONECARD

The OneCard Program provides an alternate, cost-effective and efficient method of purchasing and paying for small dollar transactions up to \$2,000 (or \$5,000 in some cases, depending on the card holders transaction limit). The card can be used to replace other purchasing processes including LPOs, Blanket Orders, and petty cash.

Benefits of OneCard include:

- Faster order placement
- Reduces the number of purchasing forms and processes
- Reduces the use of personal funds for University business transactions
- Reduces the number of reimbursements

For additional OneCard information, see the Purchasing website and the OneCard Policies and Procedures for more information (<http://www.lehigh.edu/~inubs/purchasing/WFBOneCard.shtml>).

MAINTENANCE ORDERS

Contracts for maintenance service on University-owned equipment must be covered by a Maintenance Order. Contract documents should accompany the Maintenance Order and be sent to Purchasing Services for review. The Requisitioner should not sign the supplier's contract documents. Blanket Order, LPO, or OneCard are not to be used to initiate maintenance contracts.

Maintenance Orders are for a fixed amount and are encumbered upon creation. Invoices for annual maintenance agreements will be paid in advance by the Accounts Payable Department when received, as long as the invoice terms agree with the Maintenance Order. No receiving report or payment approval is required.

RESEARCH GRANTS AND CONTRACTS

Requisitions for purchases of \$5,000 or more against research accounts (accounts range between 529000-592999 or 610500 – 611499) must be approved by the Office of Research and Sponsored Programs (ORSP) prior to forwarding to Purchasing. The Requisitioner should therefore send the requisition to ORSP, which will then forward to Purchasing.

It is important that the University's competitive bidding requirement be adhered to when purchasing equipment or supplies against research grants or contracts. In order to minimize any potential delay to a Principal Investigator (PI), the competitive bidding process may be initiated prior to receiving formal notification of the grant or contract from the sponsoring agency. The PI should secure a written statement from ORSP indicating that approval is expected on a pending application. If an item is to be purchased from a sole source supplier, the PI must provide sole source justification.

Under the requirements of the federal Office of Management and Budget (OMB) Circular A-110 and A-133 audit requirements, the University is required to screen existing equipment to determine availability for use prior to purchasing new equipment. Therefore, Requisitioners must complete the Equipment Screening Certification (ESC) section of the purchase requisition.

The PI is responsible for ensuring that the equipment screening process is followed. If the equipment is not available on campus, he/she must sign the ESC.

Prior to submitting a requisition to Purchasing, the PI must complete the ESC and sole-source sections and obtain signatures from the department and ORSP.

Process Overview:

7. Department submits requisition.
8. If a research account is charged for a capital equipment purchase over \$5,000, the ESC section is required to be signed by the Financial Manager or Authorized Signer and the PI must complete the sole-source justification form on the reverse side of the requisition.
9. If a research account is charged for a non-capital item over \$5,000, only the sole-source justification section of the requisition must be completed.
10. If these sections are not completed, Purchasing will return the requisition. (NOTE: Purchasing may also have cause to change the index number on the requisition as directed by others. If a non-research index is changed to a research index, the procedures are followed beginning in 3 above.)
11. The department obtains ORSP review, approval and signatures and resubmits to Purchasing.
12. Purchasing proceeds to process the PO.

PURCHASE ORDER ACCURACY

It is the Requisitioner's responsibility to ensure the accuracy of the data on requisitions submitted to Purchasing Services or requisitions submitted directly into the eProcurement system. If there are any errors, the Requisitioner must contact Purchasing Services as soon as possible so the appropriate corrective action(s) can be taken. Purchasing will not be responsible for any incorrect information on the requisition or corresponding purchase order.

There are several types of expenditures that do not require purchase order authorization. Payment for these goods and services should be authorized by submitting a Payment Approval Form to the Accounts Payable Department or by use of the OneCard program. Consult the Purchasing Manual for a list of these goods and services.

Keywords: Suppliers, Vendors, Contractors, OneCard



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www.lehigh.edu/~inpur/inpur.html

Policy Number: 103
Effective Date: circa 1990
Revisions: 9/1/2005
10/23/12
7/5/13
Applicability: All Faculty and Staff

ETHICAL CONSIDERATIONS OF ORPURCHASING

Purpose:

To set a standard for ethical conduct when sourcing, specifying, and purchasing goods and services.

Policy:

CONFLICT OF INTEREST

Only the highest ethical principles are to be employed by all persons involved in the procurement process. It is the responsibility of each member of the University faculty and staff and of Purchasing to take all appropriate steps to assure that the University does not knowingly enter into a purchase commitment which could result in a conflict of interest situation. A conflict of interest exists when some factor (e.g., financial or personal interest in a supplier) interferes or appears to interfere with or influence a purchaser's ability to be completely impartial and loyal to the University's interests. The University's Policy on Conflict of Interest can be viewed at <http://www.lehigh.edu/~policy/university/coi.htm> and is also printed in the Purchasing Manual.

GIFTS AND GRATUITIES

In accordance with the University Policy on Conflict of Interest, University personnel may not accept any gifts, gratuities, or entertainment from suppliers doing business or wishing to do business with the University, of more than a nominal value.

PERSONAL PURCHASES

The University will not purchase, with its own funds, any supplies, or equipment for the personal use of the University staff nor will arrangements be made by Purchasing to create any buyer-seller arrangements between staff members and University suppliers. Suppliers, however, may, at their own discretion, extend University discounts and/or contract rates to University staff on personal purchases. This information can be found on the Purchasing website under the "For Faculty and Staff" section.

Keywords: Conflict of Interest, Code of Ethics, Gifts



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610.758.3840 Phone 610.758.4783 FAX
www.lehigh.edu/~inpur/inpur.html

Policy Number: 105
Effective Date: circa 1990
Revisions: 9/1/2005
10/23/12
7/5/13
Applicability: All Used Equipment Purchases

PURCHASE OF USED EQUIPMENT

Purpose:

To allow for the purchase of used equipment.

Policy:

The University allows for purchases of used equipment if it is determined to be in the best interest of the University. Purchasing Services, in conjunction with the department making the purchase and other peer departments as necessary (i.e. Risk Management, ORSP) will determine, on a case-by-case basis, whether the purchase of used equipment is the best “overall” value for the University, taking into consideration variables that affect the total cost of the equipment and the risk/liability exposure to the University.

The purchase of used equipment presents some unique variables that should be considered before purchasing (e.g. equipment that was used with hazardous chemicals by the previous owner; size constraints and insurance risks). The requesting department should first identify the minimum acceptable equipment specifications required, and then identify any specific used equipment that is acceptable. All potential used equipment should be in excellent condition. The requesting department should use its best efforts to determine whether the purchase of the “used” equipment would be in the best interest of the University. If the requesting department determines the purchase is in the University's best interest, then it shall prepare a separate document providing justification for the used equipment.

Any purchases of used equipment must follow all other applicable purchasing policies, and must not present any conflicts of interest in the procurement of the items(s). If the purchase of used equipment is being made from a related party (i.e., the requesting individual or anyone related to the requesting individual) the requestor must first obtain supervisor approval.

Keywords: Equipment, Used Equipment, eBay

Requisition Form

PURCHASE REQUISITION
THIS IS NOT AN ORDER – DO NOT PROVIDE THIS FORM TO VENDOR
 (ALL ITEMS IN RED ARE REQUIRED)

(FOR PURCHASING USE ONLY)

LEHIGH UNIVERSITY
PURCHASING SERVICES
516 BRODHEAD AVENUE
PHONE: X83840 FAX: X84783

lnpur@lehigh.edu
www.lehigh.edu/~inubs/purchasing

PO NO: _____
REQ NO: 9134899

SUGGESTED VENDOR:
 NAME _____
 ADDRESS _____

 PHONE _____ FAX _____
 EMAIL _____
 CONTACT NAME _____

DEPARTMENT INFORMATION:
 REQUISITION DATE _____
 REQUISITIONER _____
 EXTENSION _____
 EMAIL _____
 ADDRESS _____
 DEPT. REF. NO. (OPTIONAL) _____

BID/QUOTE GUIDELINES

- *Purchases of \$5,000 or greater require 3 written quote (please attach)
- *Purchases of \$5,000 – \$15,000 through an MSA vendor are exempt from the bid/quote requirement. For a list of MSA vendors, visit www.lehigh.edu/~inubs/purchasing/FacultyStaff.shtml
- *Complete the sole source form on the reverse side of this requisition if bidding isn't possible or feasible.

SHIP TO ADDRESS (IF DIFFERENT THAN ABOVE)
 NAME _____
 ADDRESS _____

 PHONE _____ EMAIL _____

Line No.	Quantity	Unit Meas.	Description of items	Unit Price	Extended Amount

Item Need By/Delivery Date	Service or Project Start Date	Service or Project End Date	SPECIAL INSTRUCTIONS: <input type="checkbox"/> Fax or email order to vendor <input type="checkbox"/> Send check with order <input type="checkbox"/> Other _____	Total Amount

Internal Purchasing Comments:

For ORSP use only:
 Product/Equipment is New Used (attach justification)

FOR EQUIPMENT ITEMS OF \$5,000 OR MORE, READ AND SIGN THIS SCREENING CERTIFICATION
 The item(s) described above has been screened against Dept.'s inventory records and similar items are not available or suitable for the requested item's intended use.

PI Original Signature Required _____ Date _____

ORSP Signature _____

Index	Account	Amount	Authorized Signature

Please make a copy of this requisition for your records.

INSTRUCTIONS

- All areas in red MUST be completed or requisition will be returned for proper completion. Hand written requisitions MUST be legible or the requisition will be returned.
- Forward equipment orders over \$5,000 charged against research accounts directly to the Office of Research and Sponsored Programs (ORSP). Upon approval, ORSP will forward the requisition to Purchasing.
- If items, services or vendor suggested may not be substituted or feasible and the requisition amount is \$5,000 or more, the sole source justification section below must be completed or the requisition will be returned for completion.
- Send the requisition to Purchasing (unless approval is required by ORSP – see above); include all supporting documentation with the requisition (quotes, terms and conditions, etc.).

TO BE COMPLETED BY THE REQUISITIONER:

1. QUOTES

Three written quotes must be submitted for all requisitions over \$5,000 (exception: requisitions less than \$15,000 for MSA vendors). If the vendor with the lowest price was not selected, please provide justification:

2. SOLE SOURCE JUSTIFICATION

The Sole Source Justification must be completed if the requisition amount is over \$5,000 and written quotes were not obtained OR the use of an alternate vendor or item is not feasible or possible. A detailed justification is required in these situations.

A. ITEM SPECIFIC – Substitution of the item(s) is not possible because (check all that apply):

Item must match existing equipment (explain below):

No other item meets the following specification (explain below):

Available substitutes are not acceptable because (explain below):

B. VENDOR SPECIFIC – Use of another vendor is not possible because (check all that apply):

Only known manufacturer

Only known distributor

Only source for service

Only vendor that can deliver by (date): _____

Other (explain below):

TO BE COMPLETED BY ORSP (if research account is to be charged):

Sole Source Justification appears appropriate

Vendor not debarred or suspended

Sole Source Justification appears inappropriate because:

ORSP Authorized Signature _____ Date _____

TO BE COMPLETED BY PURCHASING:

Sole Source Justification appears appropriate

Sole Source Justification appears inappropriate because:

Purchasing Authorized Signature _____ Date _____

Please make a copy of this requisition for your records.

Purchase Order (sample)

Purchase Order

https://www.mercurycommerce.com/secure/po_print.asp?SID={13b9...

Lehigh University

Purchase Order #: P0001370

PO Release Date: n/a

Fiscal Date: 02/08/2012

Needed By Date:

Vendor Address

David Leahy
ADT Security Services Inc
Control Mki Atlantic Region
290 Corporate Drive
Reading, PA 19605

Phone: (610)916-0450

Fax:(610)916-0451

Billing Address

Bennyhoff, Michele
Accounts Payable
Lehigh University
520 Brodhead Avenue
Bethlehem, PA 18015
Phone: 610-758-3143
Fax:

Shipping Address

University Police, -
Shupp, Edward K.
Lehigh University
36 University Drive
Bethlehem, PA 18015
Phone: 6107584202
Fax:

Purchase Order Comments

All as per your quote 114099 dated 2/2/12

Vendor Item	UOM	QTY	Product Description	Unit Cost	Discount	Total
	Each	2	Western Digital WD20EARS Hard Drive 2TB SATA 300	\$	\$0.00	\$
Deliver To: Shupp, Ed						
	Each	2	Intel Ethernet Server Adapter I340-T4, Network card	\$	\$0.00	\$
Deliver To: Shupp, Ed						
	Each	2	Dell PCIe Expander Card for Dell 2790 Servers	\$	\$0.00	\$
Deliver To: Shupp, Ed						
	Each	1	Genetec Failover Directory Server	\$	\$0.00	\$
Deliver To: Shupp, Ed						
	Each	3	Genetec Failover Camera Connection	\$	\$0.00	\$

Deliver To: Shupp, Ed

Each	1	Installation, set up, configuration, programming, testing & training	\$3,400.0000	\$0.00	\$3,400.00
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Deliver To: Shupp, Ed

Sub Total:	\$
Shipping & Handling:	\$0.00
Tax:	\$0.00
Total:	\$

Terms and Conditions:

Purchase Order Terms and Conditions

1. GENERAL - This purchase order, including any continuation pages attached hereto, shall constitute Buyer's offer to Seller, and become a binding contract on the terms and conditions set forth herein including those on the reverse side hereof, upon Seller's written acceptance thereof or commencement of performance. No revisions of this order or any of the terms and conditions thereof shall be valid unless in writing and signed by an authorized representative of Buyer and no conditions stated by Seller in accepting or acknowledging this order shall be binding upon Buyer if in conflict with, inconsistent with, or in addition to the terms and conditions contained herein unless expressly accepted in writing by Buyer.
2. QUANTITY - The quantity of material ordered or released hereunder must not be exceeded and Buyer shall not be liable for and may reject any material delivered in excess of that so ordered or released.
3. PRICE - This purchase order must not be filled at higher prices than last quoted or charged without notice. If no price is stated on this order, Seller agrees to invoice at the lowest prevailing market price. In the event Seller during the performance of its obligations under this order reduces its price of materials supplied or services furnished of the same quantity, grade and quality, Seller agrees to give Buyer the benefit of such reduction in price.
4. DELIVERY - Delivery must be made within the time stated on this order, failing which Buyer reserves the right to purchase elsewhere, and Buyer may reject materials and services not delivered or furnished on dates specified on this order. If no date is specified Buyer may exercise said rights if delivery is not made within a reasonable time.
5. CONFORMING GOODS - Acceptance of all or any part of the goods shall not be deemed a waiver of Buyer's right either to cancel or to return all or any portion of the goods because of failure to conform to order, or by reason of defects, latent or patent, or other breach of warranty, or to make any claim for damages. Such rights shall be in addition to any other remedies provided by law.
6. OTHER CHARGES - No charges will be allowed for packing, crating, drayage, or storage unless stated herein.
7. INSPECTION AND REJECTION - Materials and services purchased under this order are subject to Buyer's inspection and approval within a reasonable time after delivery. Buyer reserves the right to return at Seller's expense materials shipped or reject services furnished in excess of the requirements on this order, or defective materials or inadequate services not meeting the Buyer's specifications and standards, whether paid for or not.
8. INDEMNIFICATION - If Seller's work under the order involves operations by the Seller outside of Seller's premises Seller shall take all necessary precautions to prevent the occurrence of

Pages 3 and 4 of this sample PO are additional terms and conditions and are excluded from this sample.

Sales Tax Itemization Form



LEHIGH
UNIVERSITY®

Purchasing Services
516 Brodhead Avenue
Bethlehem, PA 18015-3008
610.758.3840 Phone 610.758.4783 FAX

SALES TAX ITEMIZATION FORM

Lehigh University is a non-profit entity, and as such is exempt from PA State sales tax for most purchases related to the University's mission of education and research. (PA tax exemption #75-077897-7); however, in some instances, items are taxable and PA sales tax should be levied. **By law, it is the supplier's obligation to collect PA sales tax.** The University does, however, have an obligation to ascertain that the sales tax exemptions are properly applied by the suppliers. To that end, it is important for all quotes/invoices/big estimates to be structured in such a way as to clearly document the services and items being supplied, and tax (if any due) is paid by Lehigh and collected by suppliers.

Lehigh personnel cannot give tax advice. The determination of taxable or non-taxable is determined BY THE SUPPLIER.

The following is a link to the PA Department of Revenue Website regarding Construction Contractors' Guide for "Building, Machinery and Equipment:

<http://www.revenue.state.pa.us/revenue/cwp/view.asp?a=180&q=284812>.

There is a link on this website to a Summary which is an explanation of Act 45 for the exemption for "Building Machinery and Equipment (BME). There is another link to a listing prepared by the PA Department of Revenue to give suppliers guidance in determining if the items would be taxable or non-taxable at the time of purchase for exempt entities -- to be used for Guidance Only. When in doubt, Suppliers should check with their accountants for specific determination.

Project Name: _____

RFP/Work Order/PO Number, etc. _____ Quote Number: _____

Supplier Name: _____

Supplier contact name, phone, email: _____

Lehigh contact name, phone, email: _____

Total value of all TAXABLE Equipment & Materials (in US Dollars):	\$
TOTAL TAX to be paid by Lehigh and collected by Supplier (in US Dollars):	\$
Brief Description of TAXABLE Items:	
Total value of NON TAXABLE Equipment & Materials (in US Dollars):	\$
Brief Description of NON TAXABLE Items:	
Total value of order:	\$

For Lehigh Use Only	Lehigh Purchase Order Number:	
	Copy filed with Purchase Order (circle one)	Y N