SUMMARY:

It is the policy of the Coastal Carolina University Office of Procurement and Business Services to adhere to and abide by the policies, procedures, and guidelines relating to the procurement, management, control, and disposal of supplies, equipment, and services, as applicable, under the authority of the \textit{South Carolina Consolidated Procurement Code}, and to assure the University Administration and the Board of Trustees that all procurement transactions are conducted in a legal, ethical and professional manner in compliance with the statutes, rules, and regulations governing such actions.

POLICY:

I. Mission

The Office of Procurement and Business Services supports the mission and objectives of the University by providing an effective and efficient procurement process for quality goods and services, by actively managing the contractual services that sustain and enhance the University campus community, and by fostering a high standard of fair and honest treatment within the University, with vendors, and the public.

II. Authority

The Office of Procurement and Business Services is authorized and governed by policies established by the Coastal Carolina University Board of Trustees; by the provisions of the \textit{South Carolina Consolidated Procurement Code}; by permanent regulations issued by the South Carolina State Budget and Control Board, under the authority of the \textit{South Carolina Consolidated Procurement Code}, as contained in South Carolina State Statutes; and by the provisions of the University’s Procurement Operations Manual.
The Office of Procurement and Business Services is the sole area authorized to make commitments for supplies, equipment, and services necessary for the operation of the University, upon receipt of a duly completed Purchase Requisition or other duly authorized procurement document.

Except as described within this policy and the Procurement Operations Manual, no obligation for purchases will be entered into without authorization of the Office of Procurement and Business Services. The University will not assume responsibility for the payment of purchases other than those made through established procedures.

The responsibility for assuring availability of funds and for justifying the need for the purchase is vested with the department heads and/or other University administrators.

III. Compliance with South Carolina Consolidated Procurement Code

It is the policy of the Coastal Carolina University Office of Procurement and Business Services to adhere to and abide by the policies, procedures, and guidelines relating to the procurement, management, control, and disposal of supplies, equipment, and services, as applicable, under the authority of the South Carolina Consolidated Procurement Code, and to assure the University Administration and the Board of Trustees that all procurement transactions are conducted in a legal, ethical and professional manner in compliance with the statutes, rules, and regulations governing such actions. Commitments shall be made in accordance with the provisions of the South Carolina Consolidated Procurement Code and the University’s Procurement Operations Manual.

IV. Objectives

The objectives of the Office of Procurement and Business Services include the following:

A. To provide all the goods and services required for the University’s operations at the time and place needed and in the proper quantity and quality;

B. To secure such goods and services required at the lowest possible cost from responsive and responsible vendors;

C. To provide economic delivery of purchased materials;

D. To provide sound inventory management;

E. To obtain the greatest possible revenue from the disposal of surplus, damaged, or obsolete materials and equipment;

F. To insure and maintain compliance with the South Carolina Consolidated Procurement Code and University guidelines;
G. To manage and coordinate the contractual operations of those entities that provide products and service support to the campus community; and

H. To transact business with the utmost ethical standards as prescribed by the University and the National Association of Educational Procurement.

V. Responsibilities and Functions

The general responsibilities and functions of the Office of Procurement and Business Services may be summarized as follows:

A. To purchase quality goods and services for the University so that maximum value is obtained for every dollar spent; and to ensure qualified suppliers are given equal opportunity to participate in meeting University requirements;

B. To assist in expediting the delivery of materials to meet the requirements of the user departments (when so requested by the department);

C. To handle complaints, claims, and adjustments, and to negotiate for the return of materials or arrange for other settlements;

D. To correspond with suppliers relating to quotations and purchase orders;

E. To set standard specifications for materials and supplies commonly utilized, and to ensure specifications are worded to support the University's policy of open and competitive bidding;

F. To consolidate purchases whenever possible and thus obtain quantity discounts for volume purchases, and to enter into requirements contracts with vendors where correspondingly favorable prices are to be obtained; and

G. To provide departments, upon request, current market trends of available products and services.

VI. Procurement Ethics

A. Code of Ethics

The Office of Procurement and Business Services seeks to adhere to the Code of Ethics as adopted by the National Association of Educational Procurement, shown as follows:

1. To give first consideration to the objectives and policies of Coastal Carolina University;
2. To strive to obtain the maximum ultimate value of each dollar of expenditure;

3. To decline personal gifts or gratuities;

4. To grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit;

5. To conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation;

6. To demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product;

7. To receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes;

8. To make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of Coastal Carolina University permits;

9. To accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions;

10. To cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods;

11. To foster fair, ethical and legal trade practices; and

12. To cooperate with peers and promote a spirit of unity and a keen interest in professional growth among them.

B. University Standards

University personnel who are in any way connected with the procurement of equipment, supplies or services, shall not, except as provided for by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from doing business with, or conducting activities regulated by the University, or whose interests may be substantially affected by the performance or nonperformance of the employee’s duties.

University personnel who are responsible for writing specifications, awarding contracts, making recommendations or who are in any way connected with requisitioning or procurement of equipment, supplies, and services used by the
University will not solicit nor accept, under any circumstances, any personal gifts, discounts, or gratuities or personal travel, meal, or lodging expenses from a vendor which might in any way influence the selection or purchase of such materials or services. Vendors who are doing or seeking to do business with the University are prohibited from offering or providing personal gifts, discounts, or gratuities, or personal travel, meal, or lodging expenses to University employees or officials, even if the expenses are incurred as part of the employee's or official's responsibility to inspect or observe the vendors' products in operation unless such travel costs are specifically provided for in the procurement solicitation.

C. Conflict of Interest

Each member of the University faculty and staff must ensure situations involving actual or potential conflict of interest do not occur. The procurement of any goods or services may not be made from an employee of the University, nor may procurement of any goods or services be made from any business (including but not limited to corporations and partnerships) in which any University employee or any family member residing in the same household, either individually or collectively has (have) a majority (more than 50%) ownership interest. Coastal Carolina University will fully comply with all laws and regulations of the State of South Carolina pertaining to ethics compliance.

Exceptions to this policy may be made only by the President and the Senior Vice President of the University with advice from the University Legal Counsel, if the exception is determined by them to be in the University's best interest and consistent with all ethics and other relevant laws.

VII. General Policies

A. Contracts, Leases and Agreements

Due to the possibility of being subjected to the competitive bid process, all contracts, leases, agreements, etc., involving the purchase or rental of materials or equipment or the maintenance thereof must be submitted through the Purchase Requisition system to the Office of Procurement and Business Services or to University Legal Counsel for review.

B. Federal and State Taxes

The University is exempt from the payment of federal taxes on most transactions. The Office of Procurement and Business Services and the Accounts Payable Office will determine the tax status on Purchase Orders and Direct Expenditure Vouchers and provide tax exemption certificates or other evidence of the tax exemption. University purchases are subject to the State Retail Sales and Use Tax except for some commodities specifically exempted by law.
C. Gifts or Consignment of Equipment

A gift should not be accepted or solicited, directly or indirectly, from a donor if there is reason to believe the donor has or is seeking to obtain contractual or other business or financial relationships with the University. A gift should also not be accepted if the gift might provide the donor, directly or indirectly, an undue competitive advantage in subsequent procurements.

Should a department be offered merchandise and/or equipment outside the scope of the above paragraph as an outright gift or on a consignment basis, permission to accept or receive such merchandise should be requested by letter to the Senior Vice President through the department head and/or dean and other Vice President, as appropriate. A complete description of the merchandise or equipment and a clear statement of the conditions under which the gift or consignment is being offered should be given. When necessary, the Senior Vice President will secure any other administrative and state approval for acceptance. Acceptance should not be made by the department until proper approval is received.

D. Personal Purchases for University Employees

The Office of Procurement and Business Services is not authorized to make purchases for individuals.

E. Products Manufactured by State Agencies

The University will seek to purchase products and services available from other state agencies whenever such products or services meet the prescribed specifications and are competitively priced and whenever advance approval is obtained from the Division of General Services. The following types of contracts are exempt and do not require approval:

1. Agreements between state agencies which are mandated by federal or state laws; and

2. Service agreements between agencies for services authorized by that agency’s enabling legislation as its purpose, duty, or mission.

F. Public Access to Procurement Information

Procurement information is considered a public record to the extent required by the Freedom of Information Act with the exception that commercial or financial information obtained in response to a "Request for Proposals" or any type of bid solicitation that is privileged and confidential need not be disclosed. Privileged and confidential information is information in specific detail not customarily released to the general public, the release of which might cause harm to the competitive position of the party supplying the information.
G. Retention of Procurement Records

All procurement records will be retained and disposed of in accordance with the records retention guidelines and schedules approved by the Department of Archives and History and of the University.

H. Requests for Catalogs and Literature

The Office of Procurement and Business Services maintains a limited amount of vendor informational catalogs and files and, upon request, will make these catalogs available or secure additional information and literature necessary for department/unit reference needed to satisfy University procurement requirements. It is permissible for departments to solicit such material independently, provided the communication is restricted to a request for free material only and does not involve any commitment on the part of the University.

VIII. Minority Business Enterprise (MBE) Utilization Plan

The University’s Minority Business Enterprise Utilization Plan is designed to give small business concerns owned and controlled by socially and economically disadvantaged individuals full access and opportunity to participate in the University's procurement activities. The University has established the goal of purchasing at least ten (10) percent of its total annual requirements from small business concerns owned and controlled by socially and economically disadvantaged individuals.

The University’s Director of Procurement and Business Services has been designated as the liaison for the MBE Utilization Plan. Procedures and reporting requirements for the MBE Plan are stated in the South Carolina Consolidated Procurement Code.

IX. Procurements Requiring Determinations or Ratifications

Determinations or ratifications as required by the South Carolina Consolidated Procurement Code for sole source, emergency and unauthorized procurements are completed, attached to the procurement records and filed in the office of the Office of Procurement and Business Services. As required, a report listing such determinations are submitted to the State’s Chief Procurement Officer on a quarterly basis.

A. Sole Source Procurement

A sole source product or service is one that is unique and possesses specific characteristics that can be obtained from only one source. Products and services determined to be sole source shall be exempt from the competitive bid requirements. The requesting department shall be required to submit sufficient information and documentation to the Office of Procurement and Business Services to justify that a product or service qualifies as sole source procurement.
The President of the University, or designee, must determine in writing that there is only one source for the product or service through the use of a Justification for Sole Source Procurement document. Such procurement will be made in strict compliance with the *South Carolina Consolidated Procurement Code*.  

**B. Emergency Procurement**

The determination for an emergency procurement is made in writing and authorized by the President of the University or designee. An emergency procurement is permitted only when there is an immediate threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failures, fire loss, or such other reason as may be proclaimed by the President of the University or designee. An emergency procurement will be made with as much competition as practical under the circumstances. Emergency commitments are made in accordance with Emergency Requisition ordering procedures.  

**C. Unauthorized Procurement**

All employees of the University should be familiar with the policies and procedures for procurement as noted herein and as found in the Procurement Operations Manual, and must comply with them explicitly. Should any person without the requisite authority to do so by an appointment of delegation under the *South Carolina Consolidated Procurement Code* make a commitment obligating the University in a contract or procurement action, such action shall be deemed an unauthorized procurement. Correction action or ratification of unauthorized procurements shall be handled in strict compliance with procedures outlined in the *South Carolina Consolidated Procurement Code*.  

**X. State Contracts**

It is mandatory that the University utilize term contracts established by the State of South Carolina’s Materials Management Office. State contracts are those contracts established by the Materials Management Office for a specific product or service for a specified time. A list of these contracts is maintained on the web by the Materials Management Office, [http://www.mmo.sc.gov/MMO](http://www.mmo.sc.gov/MMO). Individuals seeking additional information on contract items should contact the Office of Procurement and Business Services.  

**XI. Construction Procurements**

All construction procurements less than the University’s certification limit as granted by the South Carolina Budget and Control Board, will be initiated by the Director of Facilities Management and coordinated through the Office of Procurement and Business Services for handling of the procurement documents. A construction procurement exceeding the University’s certification limit will be forwarded to the State Engineer's Office for processing. The Director of Facilities Management is responsible for developing the construction requirements, obtaining Architectural/Engineering assistance, coordinating with the Commission on Higher Education, the State Engineer’s Office and other such offices/agencies of the State which are involved in
Construction Procurement. He or she is also responsible for all reporting requirements of the State Engineer’s Office and other State offices/agencies.

XII. Purchase Requisition System

The Purchase Requisition form for supplies, equipment, and miscellaneous services is the official University document used to initiate a purchase transaction.

XIII. Emergency Requisitions

A properly executed Purchase Requisition form must be submitted to the Office of Procurement and Business Services by the most expeditious means consistent with the emergency. In the case of critical emergencies where telephone communication is feasible, and where pricing can be accommodated by telephone, an appropriate official should contact the Office of Procurement and Business Services stating the requirement and the date the service or item is needed. Upon receipt of the Purchase Requisition, the Office of Procurement and Business Services will determine the method and source to meet the requirement, will assign a Purchase Order number to initiate the transaction, and will expedite the procurement process to the extent possible. The Purchase Order will be clearly marked "CONFIRMING ORDER" and mailed to the vendor.

XIV. Procurements by Type

A. Art Procurement

Before Coastal Carolina University procures any art objects such as paintings, antiques, sculptures, or similar objects exceeding $1,000, the President of the University will prepare a written determination specifying the need for such objects and benefits to the State. The South Carolina Arts Commission, acting on behalf of the Budget and Control Board, will have the responsibility to review such determination for approval prior to any acquisition.

B. Conference Facilities

Prior to entering into a contract for both in-state and out-of-state facilities, a written determination of the site selection must be made using MMO Form No. 138. This applies to all hotel or motel facilities regardless of what the gathering is called, e.g., meeting, seminar, conference, workshop, retreat, etc. This determination will be retained by the Office of Procurement and Business Services along with the Purchase Requisition for audit purposes.

C. Equipment Leases

When entering into an agreement other than an outright purchase, a justification, in writing, is required. Lease, lease/purchase, installment purchase, or rental agreements are subject to the South Carolina Consolidated Procurement Code. Within these requirements are the use of the State of South Carolina Standard Equipment Agreement unless the agreement has a total potential value of fifteen thousand dollars ($15,000) or less or the agreement does not exceed...
ninety (90) days in duration.

D. Food Service Contracts

Any food service contracts entered into will be solicited under the guidelines of the South Carolina Consolidated Procurement Code.

E. Furnishings

Under the South Carolina Consolidated Procurement Code, the purchase of furniture, floor coverings, wall coverings, or any other decorative or ornamental item by a governmental body for at least one of the following uses will be reported to and approval obtained from the Board of Trustees before the purchase, when the cost of the furniture, coverings, or items exceed $1,000:

1. In an office or adjoining reception area utilized by the University President or any Vice President; or

2. In a board room or a conference room used as a board room.

F. Purchases from Grant or Contract Funds

Purchases from grant or contract funds will be made in accordance with regular University procurement policies and procedures unless the governing document (grant or contract) specifies alternate procedures. It is the responsibility of the Project Director to be aware of any special purchase limitations or requirements applicable to a particular sponsored project, and to certify on Purchase Requisitions that such special requirements have been met.

G. Information Technology - Procurement or Lease

Information Technology purchases or leases for less than $2,500 are processed in accordance with normal University procedures. A procurement of $2,500 or more requires prior approval of the Director, Information Technology Services, unless the procurement is listed in the University's approved Information Technology Plan or is otherwise exempt. Purchases in excess of the University’s certification limit are forwarded to the State Information Technology Management Office.

Information technology refers to computing; voice-data communications; copiers; offset/typeset printing; high-speed automated duplicating; radio communications; and video as described below:

1. Computing: mainframes, minicomputers, most peripherals, general purpose personal computers, personal computer software, Local Area Networks, Local Area Networks components, FEP's, terminal cluster controllers, terminals, and graphics workstations;

2. Voice-Data Communications: modems, multiplexers, data circuits,
MAN's, WAN's, PBX systems, key equipment, telephones, long
distance services, DIRM and TELCO telephone service charges,
cellular telephone equipment and services, microwave equipment,
and satellite up/downlink equipment and services;

3. Copiers;

4. Printing: offset/typeset, traditional print shop equipment;

5. Duplicating: high-speed automated, high volume duplicating
equipment typically found in a copying center or printing facility;

6. Radio Communications: two-way radio equipment and pagers;

7. Video: commercial-grade (not consumer-grade) cameras,
monitors, video recording, editing, and playback equipment, other
studio and control room equipment and furnishings, closed circuit
television systems (to include ITFS transmitters, receivers, and
distribution systems), and television production, taping and
transmission facilities.

H. Legal and Audit Services

Procurement of legal and auditing services will be made in accordance with the
South Carolina Consolidated Procurement Code. Prior to the award of any state
contract for the services of attorneys, approval for such services will be obtained
from the State Attorney General. Prior to the award of any state contract for audit
services, approval for such services will be obtained from the State Auditor.

I. Memberships and Subscriptions

1. Institutional Memberships Required

It is the general policy of the University that all memberships and
subscriptions must be purchased in the name of the University and
must be directly related to the mission of the department for which
the membership or subscription is purchased. It is also the policy
of the University to pay dues for only those professional
organizations in which the University maintains an institutional
membership.

2. Exceptions to Institutional Memberships

Exceptions to the general policy regarding the purchase of
institutional memberships may be made under the following
circumstances:

a. In those few cases where a professional
organization does not offer institutional memberships and where the membership would be of value to the University, or

b. Where an institutional membership is very costly and the membership advantages could be most economically obtained by purchasing the membership in the name of an individual staff or faculty member.

In such cases, and if in the opinion of the department/unit head, one or both of the above criteria apply, and it is the desire to have the University pay the staff member's membership dues, the department/unit head should certify on the invoice that the circumstances have been investigated and the manner in which the circumstances meet the specific criteria. Upon such certification, the dues may be paid.

XV. Lease and/or Rental of Office Space and Other Real Property

All requests for lease of office space or other real property must be processed by the Office of Procurement and Business Services and forwarded to the South Carolina Budget and Control Board, Division of General Services, Real Property Management Section, for negotiations. The exception is for leases less than three months in a single fiscal year or total cost of less than $25,000 in a single fiscal year.

XVI. Purchase of Equipment Under Capital Lease Agreement

A. General Policy

The regulations in this statement govern the acquisition of equipment by University departments through installment purchases or capital lease agreements. The Financial Accounting Standards Board and the federal government have issued guidelines to clearly define the appropriate accounting treatment for such transactions. These guidelines are reflected in this policy.

B. Lease Classification

A lease can be classified as either a capital lease or an operating lease. If a particular lease meets any of the following criteria, it should be classified as a capital lease (an installment purchase), and a corresponding asset and liability must be recorded on the University's records:

1. Property Ownership

   The lease transfers ownership of the property to the University by the end of the lease term;
2. Purchase Option

The lease contains an option to purchase the leased property at a bargain price (defined as a price significantly lower than the fair value of the property at the time the option is exercised);

3. Lease Term

The lease term is equal to or greater than seventy-five (75) per cent of the estimated economic life of the leased property; or

4. Rental Payments

The present value of rental payments equals or exceeds ninety (90) per cent of the fair value of the leased property.

If none of these criteria are met, the lease is classified as an operating lease. In this circumstance, neither an asset nor a liability is recorded on the University's records.

C. Required Accounting

Departments purchasing equipment on installment or capital lease agreements should be aware of the required accounting for such transactions so the equipment may be capitalized (and tagged) and the corresponding liability recorded on the University's official records.

XVII. Source Selection

The Office of Procurement and Business Services recognizes the value and potential of the "Free Enterprise System," and advantages of selecting those sources which can best serve the interests of the University. The Office of Procurement and Business Services reserves final decision in the selection of sources and justification is required from the requisitioning department/unit for any procurement decisions or actions where, in the judgment of the Office of Procurement and Business Services, a justification is warranted.

XVIII. Bidding Policies and Procedures

A. General Policy

All purchases will be made on the basis of competitive bidding procedures except as provided within the South Carolina Consolidated Procurement Code.

B. Acceptability of Late Sealed Bids or Quotations

All sealed bids or quotations must be received in the Office of Procurement and Business Services on or before the date and hour specified for opening. Sealed quotations or bids not meeting this deadline will be rejected. No qualifying letters
or statements from vendors will be considered as justification to accept late quotations or bids.

C. Specifications

Specifications for the requirements considered essential to satisfy the need of the user is initially established by the requisitioning department/unit. The Office of Procurement and Business Services will assist, when requested, in formulating the specification(s). The final decision on the specification(s) used for the purchase is a joint responsibility and requires the joint approval of the requisitioning department/unit and the Office of Procurement and Business Services. It is University policy to submit specifications in a manner which will permit fair and equitable consideration from all known sources qualified to meet University requirements. The Office of Procurement and Business Services will consult with administrative officers, competent specialists, and/or secure such technical assistance as is required to determine appropriate specifications.

D. Awards

Unless there is a compelling reason to reject bids, award of a contract will be made to the lowest responsive and responsible bidder(s) whose bid meets the requirements set forth in the solicitation document.

E. Trade-In of Used Equipment

The University may trade-in personal property, the trade-in value of which may be applied to the procurement or lease of like items. The process for trade-ins will be according to the South Carolina Consolidated Procurement Code.

F. Rejection and Cancellation of Requests for Quotation, Invitations to Bid, and Bids

Per authority granted by the South Carolina Consolidated Procurement Code, any solicitation and/or bids and proposals may be rejected, in whole or part, when it is in the best interest of the University.

XIX. Purchase Orders

Each Purchase Requisition processed by the Office of Procurement and Business Services generally results in the issuance of a Purchase Order which becomes the formal record and reference document for the actual purchase transaction. The Purchase Order contains the terms and conditions of the purchase that give legal protection to the University and provides legal reference and backup in disputes arising from problems with shipping, quality, damage, etc.

A. Blanket Purchase Orders

A blanket purchase order is a simplified method of filling anticipated repetitive needs for small quantities of miscellaneous supplies, services, or information technology by establishing “charge accounts” with qualified sources of supply.
Blanket purchase orders are designed to reduce administrative costs in accomplishing small purchases by eliminating the need for issuing individual purchase documents.

To the extent practicable, the University will allow blanket purchase orders for items of the same type to be placed concurrently with more than one supplier. All competitive sources shall be given an equal opportunity to furnish supplies, services, or information technology under such agreements.

B. Encumbrance of Purchase Order Amounts

At the time a Purchase Order is entered into the University’s Accounting System to be printed for processing, the system also encumbers the amount of the Purchase Order against the departmental budget of the expenditure account specified on the Purchase Requisition and the resulting Purchase Order. The amount(s) will be encumbered against the specific Classification Code(s) contained in the account number.

Whenever goods and/or services have been received and payment is made for the item(s) purchased, the encumbrance will be removed and the final and actual charges made to the appropriate expenditure account(s).

XX. Conditions for Use of Multi Term Contracts

A multi term contract is used when it is in the best interest of Coastal Carolina University and the State to obtain uninterrupted services extended more than one fiscal period, where the performance of such services involves high start-up costs, or when a changeover of service contracts involves high phase-in/phase-out costs during a transition period. The multi term method of contracting is also appropriate when special production of definite quantities of supplies for more than one fiscal year is necessary to best meet the need but funds are available only for the initial fiscal period. This procedure applies only to contracts for supplies or services. The maximum time for any multi term contract is five years. The Director of Procurement and Business Services will determine, in writing, whether a contract should be classified as a multi term contract.

XXI. Correspondence With Vendors

All correspondence pertaining to a Purchase Order which has been placed, and which involves prices, terms, conditions, delivery, quantity, substitutions, complaints, or anything whatsoever involving the commitment, will be the responsibility of, and will be accomplished by the Office of Procurement and Business Services. The requisitioning department/unit, in accordance with the South Carolina Consolidated Procurement Code, may obtain copies of any correspondence with Vendors by the State Procurement Office(s) and/or the Office of Procurement and Business Services concerning prices. However, it is University practice that the Office of Procurement and Business Services has final responsibility to verify and conclude all negotiations concerning prices and conditions of all purchases and contemplated purchases.

XXII. Advance Payment to Vendors
The basic policy of the University relative to payment for goods and services is payment will not be made until after goods have been received or services have been rendered. There are, however, five exceptions for which remittances may be made in advance at the time an order is placed:

A. Orders to the U.S. Government Printing Office;

B. Purchases of postage;

C. Subscriptions to trade magazines and periodicals;

D. Purchases of minor items from specialty establishments which specify payment must accompany the order; and

E. Situations where advance payments to vendors would result in significant savings to the University.

XXIII. Methods of Payment for Small Purchases (less than $2,500)

A. Direct Expenditure Vouchers

The Direct Expenditure Voucher (DEV) may be used for payment of small purchases (less than $2,500) which are inappropriate, as determined by the Director of Procurement and Business Services, for the purchase order process. For example, Direct Expenditure Vouchers may be used when prepayment is required by the Vendor, when a vendor offers prepayment/publication discount, or free shipping with prepayment. DEVs are processed by attaching an invoice and submitting the documents through the proper administrative channels to the Office of Procurement and Business Services.

B. Purchasing Card Program

The University maintains a Purchasing Card Program which is designed to assist with managing low-dollar purchases (less than $2,500) such as supplies, dues, subscriptions, repairs, FedEx/UPS and airline tickets. Policies and procedures related to this program are contained in the University’s Purchasing Card Program Cardholder Manual.

The purchase of any item of equipment which can be inventoried will be processed by the requesting department through the regular Purchase Requisition process which will result in the issuance of a University Purchase Order to the vendor. This is essential for accurate tracking of equipment through the Inventory Control system.

XXIV. Central Receiving
A. Function of Central Receiving

The function of Central Receiving is to receive materials and equipment; inspect items received for quantity, quality, condition and any special specifications as indicated on the related Purchase Order; deliver received material to requesting University department/unit; ship items to be returned to vendors; process loss, shortage and damage claims to the carriers with notification to vendors; and coordinate and consolidate delivery of bulk inventory items.

B. Central Location for Receipt of Shipments

It is University policy to direct shipments for all equipment and supplies ordered by University departments/units the following address:

Coastal Carolina University
Central Receiving
642 Century Circle
Conway, SC 29526

On occasion, it may be feasible for extremely large pieces of equipment or large quantities of supplies, or specialty items, to be delivered directly to the ordering department/unit or separate location. These shipments should be coordinated through Central Receiving and/or the Procurement Officer responsible for the order. Receipt of these shipments should follow the guidelines specified in the Receipt Of Shipments section of the Central Receiving Operations Manual.

In addition, shipments to University departments/units may be directed to those areas staffed for specific purchasing functions and having receiving facilities (e.g., food services operations, library, and bookstore).

C. Receiving Services Performed

Central Receiving receives materials and equipment; inspects items received for quantity, quality, condition and any special specifications as indicated on the Purchase Order; delivers the material to requesting Department/Unit; ships items returned to vendors; and processes loss, shortage and damage claims to the carriers with notifications to vendors. In addition, receiving reports, freight bills and packing slips are forwarded to Accounts Payable for attachment to invoices for payment.

For those items not received directly by Central Receiving, it is the responsibility of the individual submitting the requisition to immediately inspect and report to Central Receiving any problem concerning the shipment.

Central Receiving is not authorized to accept personal shipments for University personnel. The individual ordering such items must be sure to direct the company to ship the items directly to the individual at his or her home address.
D. Delivery of Items from Bulk Supply

Issues of bulk items requested from Central Receiving will be consolidated in the delivery unit for final delivery to the ordering Department/Unit. Follow-up action should be directed to Central Receiving. The primary delivery document will be the Campus Supply Requisition document. Copies of the delivery document will be signed by the ordering Department/Unit and returned to Central Receiving.

Only those Departments/Units that have an established account for operating supplies and expense may request bulk items housed by Central Receiving. Cash transactions are not permitted.

E. Temporary Storage

Normally, Central Receiving will deliver all received items to the Department/Unit within three days from time of receipt unless otherwise notified. Central Receiving is not intended as a storage source; however, on occasion, it may not be possible for a Department/Unit to accept immediate delivery. In that instance, the shipment may be held in Central Receiving on a temporary basis. When a Department/Unit foresees such a situation, it should so note on the original Purchase Requisition and make advance arrangements by contacting Central Receiving. Because holding space in Central Receiving is limited, Departments/Units must make every effort either to accept all shipments at time of receipt or to accept all temporarily stored material at their earliest opportunity.

F. Requesting Outgoing Shipping

Departments/Units must use a Purchase Requisition for materials that are to be shipped from the University but which cannot be shipped through Mail Services. The Department/Unit must forward the completed form to Central Receiving, which will call the Office of Procurement and Business Services for a Purchase Order number if the shipment terms are prepaid freight. Departments/Units must call Central Receiving to expedite handling of next day freight.

G. Equipment Inventory Control

The control of equipment subject to inventory is the responsibility of the Manager of Central Receiving, based on procedures noted in the Central Receiving Operations Manual.

H. Changes in Inventory

The Department Head must notify the Manager of Central Receiving, in writing, of the removal, relocation, or transfer of equipment from the department or from one room to another. Upon this notification, the Manager of Central Receiving will complete a Request for Removal/Transfer of Equipment which will then reflect an appropriate change on the inventory report for that department and on
the records of another department as appropriate.

I. Lost or Stolen Equipment

If an item of equipment is discovered to be lost or stolen, the Department will immediately report the loss or theft to the Campus Public Safety Department and to the Manager of Central Receiving. The Manager of Central Receiving will complete a Report of Equipment Loss or Theft form and send a copy to Campus Public Safety Department for action. It is essential that such loss or theft of property be tracked, and that reminders are posted in various University bulletins and/or other appropriate media.

J. Periodic Review of Inventory

Periodically the Manager of Central Receiving may conduct random verification of a department’s equipment inventory reports using the following procedures:

1. The Manager of Central Receiving will notify a Department Head several weeks in advance that a review and verification of inventory will be performed. Each Department Head will be given a copy of that department’s inventory to be reviewed.

2. During the review, the Manager of Central Receiving will note any discrepancies in accounting for inventory and will advise the Department Head of such. If an item of equipment cannot be found, the Department Head will be requested to sign verification of this information. In cases of large discrepancies, a written report will be sent to the Senior Vice President and, subsequently, to the President of the University.

3. The Manager of Central Receiving will update the department inventory and provide the Department Head a copy of the equipment listing for that department.

K. Annual Review of Inventory

Each year, two copies of each department’s inventory listing will be prepared by the Manager of Central Receiving and provided to each Department Head to be used to conduct a physical inventory of all inventoried equipment for his or her department. The Department Head will conduct or ensure that a designated Department Inventory Control Officer conducts a physical inventory of that department’s equipment on the inventory listing. A signed copy of the listing will be returned to the Manager of Central Receiving. This signature will certify that all equipment is located in the department, or approve the explanation for, and/or disposition of, any missing items.

L. Determining Inventoriable Equipment
The guidelines for items received by Central Receiving, or other departments as allowed, which require a Property Control identification number are found in the Inventory Control section of the Central Receiving Operations Manual.

M. Disposition of Property and Supplies

To remove an item from a department’s inventory, the department must complete a Property Disposal Request. The form is signed by the Department Head and forwarded to the Manager of Central Receiving for appropriate action. Obsolete supplies, equipment and scrap materials or "junk" will be stored, classified and listed until such time as they can be disposed of according to State Surplus Property Regulations.

N. Surplus Property

Before any item declared as “Surplus” by a University department is sent to Central Receiving for storage, the Department Head must provide written notification to the Supply Manager showing the description and category of use (designation) of the item(s). The materials will not be picked up for storage without a designation(s) such as the following:

1. Convenience Storage

These are items which are used periodically or seasonally and are requested to be stored in a warehouse as a matter of convenience. A specific time frame must be stated (not to exceed six months).

2. Available for Use

These are items that are in usable condition but are no longer needed by the department to which they were previously assigned. They are available for use elsewhere in the University.

3. Disposal

These are items that are worn out and/or can no longer be used by any department within the University. The Manager of Central Receiving will determine the method of disposal of such items, as required by State Regulations.