Purchasing Manager
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Training
NSC9M Purchasing
Definitions & Guidelines
Division of Purchase and Contract

State Term Contract: Items that have been bid by
formulation of management functions.
encumbrance the review, analysis, evaluation, and
knowledge, experience to provide services that
Consulting Services: Contractors processing specialized
repairs, training, etc.
Services: Intangible in nature and include maintenance,
paper, furniture, and equipment, etc.
Goods: Tangible in nature and include office supplies,

Definitions & Guidelines
Definitions & Guidelines (cont.)

- PURCHASE ORDER: a pre-encumbered form where monies is set aside for the purchase of goods.

Note: this is not an authorization to purchase.

- PURCHASE REQUISITION: a pre-encumbered form where monies is set aside for the purchase of goods.

- Purchase contract for the purchase or lease of a commodity or service, or (2) lease or rent a commodity, or (3) sell a commodity outright, or (4) sell a commodity through a lease purchase or installment agreement.

PURCHASE: The solicitation of, and acceptance of, an offer to (1) provide a service, or (2) lease, or rent a service, or (3) sell a service.
Purchasing Flow Chart

1. Purchase Requisitions
2. Purchase Order
3. Accounts Payable
4. Good Receipts

Flow Chart:
- Purchase Requisitions → Purchase Order
- Purchase Order → Accounts Payable
- Accounts Payable → Good Receipts
- Good Receipts → Purchase Requisitions
Purchasing Benchmarks
No competition required for purchases or services. However, departments are encouraged to seek competition for all goods and services greater than $1,000.

- Goods and Professional Services ($>1,500)

Purchasing Benchmarks
Purchasing Benchmarks (cont.)

Goods and Professional Services ($1,500-$5,000)

Purchases or services will be awarded to the lowest responsible bidder(s).

Summary Quotation Form.

Requisition. Telephone quotes obtained by departments may be attached to the e-requisition. Faxed or e-mailed quotes MUST obtain 3 or more E-quotes. All other requisitions be documented on a

Purchasing Benchmarks (cont.)
Bidding process 7-10 days.

State of NC Interagency Purchasing System (IAP). Informal Bid - Bided by Purchasing Office via E-quote or

- Goods and Professional Services ($5,000-$10,000)

Purchasing Benchmarks (cont.)
Bidding process 7-20 days.

Interactive Purchasing System (IPS).

Formal bid – Bided by Purchasing Office via State of NC

- Goods and Professional Services ($10,000-$35,000)

Purchasing Benchmarks (cont.)
Takes approximately 30-45 days

Purchase & Contract to be sent out for bid and awarded.

Formal Seal Bid - IPS Requisition submitted to NC

- Goods and Professional Services ($35,000+)

Purchasing Benchmarks (cont.)
who may be able to provide the good or service. Purchasing will make an effort to identify other vendors and request for quote (RFQ) to the sole source vendor identified by the Department. After reviewing the justification, Purchasing will send a written or service.

explanating why competition was not solicited for the particular good. Directors must submit via a written justification any amount over $1,500.00.

Single (Sole) Source

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Purchasing Requirements
North Carolina's Uniform Chart of Accounts

By the Business Office to conform to the requirements of the State of North Carolina, the Uniform Chart of Accounts must be attached and submitted with a copy of the requisition or electronically attached to the E-Requisition. All supporting documentation must be attached and submitted with a copy of the requisition or electronically attached to the E-Requisition.

- The State of North Carolina's Uniform Chart of Accounts
- The Director of Finance and Budget to conform with the requirements of the Department of Finance and Budget.
- Vice Chancellor is required to initiate purchase requests.
- The Department Director, in some cases, by the appropriate
- A completed E-Procurement Purchasing Requisition approved by

Purchasing Requirements
Purchasing will notify departments if written quotes are required.

...quotation to completely document purchase requests.

The Business Office reserves the authority to require written

Verbal quotes must be submitted on a Summary of Quotation Form

See the Finance Director if you are considering this type of service.

Management: general services and require approval by Office of State Budget and Accounting.

Consulting Services Contracts follow the same guidelines as

Purchasing Requirements (cont.)
Terror and Conditions

Procurement Cards

• Have any questions, please contact the Purchasing Manager at 919-476-2791.

• Purchase and Contract Indivduals must follow all rules and procedures set by NC Div of Purchase and Contract.

• Individuals prohibited from using the credit cards.

• Failure to follow terms and conditions will result in individuals being prohibited from using the credit cards.

• Invoices and documentation must be submitted to A/P within seven days of the return of the credit card.

• Credit Card must be returned within a 24 hour period, unless approved by the Business Office.
Purchasing Approach
Departments have the choice of:

contract:

processed and are not available on state
procuring goods that do not require a bid
has developed a "two-tiered" approach to
meet its mission, the Purchasing Section

In an effort to assist departments and to

Purchasing Approach
NCSSM procedures.

The purchasing function in this approach is to ensure compliance with state law, purchasing rules and regulations, and internal requisition, etc.

In this approach the Department has acted in the capacity of purchasing manager in obtaining quotes, documentation, completing purchase order within three (3) working days.

If the information is correct, Purchasing will issue the department a

All supporting documentation, and submit to Purchasing.

Department Driven Approach:
Purchasing-Driven Approach:

- In this approach, departments can be more general in the items requested.
- Purchasing will work with departments to secure prices and vendors.
- This approach is useful for departments that may not know the specific item they want by vendor and catalog number, but do have a general idea of the items specifications or its use.
- Purchasing will schedule a session with the department during its weekly office hours to go over details, and share cost and vendor information.
- Purchasing will complete the requisition and issue the purchase order. It is estimated that this approach will take a minimum of **10 working days or more** depending upon the complexity of the order.
E-Procurement
chancellor is required to initiate purchasing requests. and, in some, approved by the appropriate division vice-
department, then approved by the department director purchasing requisition is processed by a user in the
in operational efficiencies and potential cost savings. A
administration functions to buyers and suppliers, resulting
electronic purchase order processing and enhanced
wide, Internet based purchasing system that offers
through NC@YOURSERVICE. E-Procurement is a state-
Purchase Requisitions are processed electronically

E-Procurement (cont.)
necessary approvals for purchase requisitions.

General Guidelines section for guidelines concerning Office. Individuals should refer to the Approvals - Chancellor for approval and forwarded to the Business Supervisor, Department Director, or Division Vice President. Completed forms must be submitted to the appropriate information will be available in the Business Office.

If the item is on a State Term contract, all of the required

E-Procurement (cont.)
require the use of the Purchase Requisition process. Be sure that the Business Office will review the issuance of SPA on a case-by-case basis and reserves the authority to per day.

by Purchasing, and are limited to under $1,000 per vendor, and

SPA is issued to local vendors need to be pre-approved available in Central Stores or on State Term contract.

Small Purchases Authorizations are to be used to pick-up.
were picked-up.

After the items have been purchased: An invoice or receiving slip must be attached to the approved SPA and submitted to Accounting to request payment. Forms should be submitted according to the date that the items approved unless funds are available. The authorization will not be approved unless approved by the Director of Budget and Finance, the Purchasing Manager, and the Department Head. SPA's require the Form be completed by the Business Office and forwarded to the Business Office. Form should be submitted to the Accounting as close as possible to the date that the items were picked-up.
Please contact the Purchasing Manager at 919-476-2791 if you have any questions.

Purchase and Contract

Individually must follow all rules and procedures set by NC Div of Procurement.

Prohibited from using the credit cards prohibited from using the credit cards.

Failure to follow terms and conditions will result in individuals being return of the credit card.

Invoices and documentation must be submitted to A/P with the approval of the Business Office.

Credit Card must be returned within 24 hours period. (unless Small Purchase Authorization (SPA) (Cont.)

Terms and Conditions
Business Office if in doubt as to proper procedures.

Employees are strongly encouraged to contact the office and agency rules and regulations. 

held personally liable for obligations made outside the School. Under state law, employees may be defined emergencies excepted, will not be paid for purchase made without prior authorization.

Small Purchase Authorizations (SPA) (Cont.)
Approvals
meet the purchase obligation.

Authorizations to acknowledge that funds are available to
for services, emergency requests and small purchase
approval is required on all purchase requisitions, request
Finance Director, or designated representative,

(3) Finance Director, or designated representative,

(2) Purchasing Manager, or their designated
acknowledge compliance with purchasing requirements.

(2) Purchasing Manager, or their designated
request for services or small purchase authorizations,
representative, is required on all purchase requisitions,
Department Director approval, or designated

Approvals - General Guidelines
software and hardware.

required on all purchase requisitions for computer

(5) Approval of the Director of Information Officer (ITS) is

for all emergency requests.

requisitions for capital equipment $5,000 and above, and

(4) Division Vice Chancellor's approval is required on all

Approvals - General Guidelines (cont.)
Change Orders
a copy of the change order. A Change Order will be issued by Purchasing. Departments will receive
order will be issued by Purchasing. A Change Order will be issued by Purchasing. After verification of funds is made, a change
available. After verification of funds is made, a change
that the departments include the Purchase Order number in
purchase request must approve this form. It is very important
purchase request must approve this form. It is very important
Office. The same individuals that approved the original
Office. The same individuals that approved the original
attachment (to the Purchasing Section of the Business
attachment (to the Purchasing Section of the Business
order must submit a Request for Change Order form
order must submit a Request for Change Order form
Departments requesting a change to an existing purchase
Departments requesting a change to an existing purchase
amount and the purchase order amount.
amount and the purchase order amount.
changes, or for other discrepancies between the invoiced
changes, or for other discrepancies between the invoiced
orders may be needed for items out-of-stock, for price
orders may be needed for items out-of-stock, for price
Concerning price, quantity, or items to be purchased. Change
Concerning price, quantity, or items to be purchased. Change
A change order is a change to the original purchase order
A change order is a change to the original purchase order

Change Orders
Blanket Purchase Orders
Blanket Purchase Orders

- The Purchasing Section recognizes that some departments need to purchase certain items on a demand basis. For example, Maintenance often has need for hardware or supplies in small quantities to finish repair jobs. Requiring the use of a purchase order for each hardware item would create an unnecessary burden on the department and the Purchasing Section.
Blanket Purchase Orders (cont.)

- Unauthorized use of Blanket Purchase Orders may result in the cancellation of any outstanding orders and the requirement that departments purchase items under the requisition method.

- Funds must be available in the Department's budget.

- When the blanket order reaches zero, purchasing amount reduced. When the blanket order reaches and the blanket order expenses are charged and the blanket order is enumbered (set-aside) in the department's budget.

- The issuance of Blanket Purchase Orders requires the approval of the Department Director of the department requesting the blanket purchase orders.
use for the blanket order. The Purchasing Manager, working with the department, will determine the best method to set a unit price. A blanket order may be issued for a set dollar amount or for set quantities of items at blanket purchase orders. Orders should address their request for blanket purchase orders (cont.)
Requesting Repair Services
The Purchasing Section will review each department's requisition. The Requisition Section will authorize payment of the repair. Repairs will not receive a Purchase Order for small vendors. The Requisition will be used to document the repair. The Purchasing Manager may authorize the notification processing before beginning repairs. Upon notification of Purchasing, the Purchasing Manager may authorize the notification. 

Small Repairs - Less than $2,500: Departments must request the services.
Emergency Purchase Order

all Emergency Purchase Orders must be approved by the Chancellor of Operations NSCM and the Vice Commodities, printing or services. The Vice Immediate on-the-spot purchases or rental of vital programs and which can be rectified only by endangering lives, property or the continuation of a situation which are defined as situations which
Questions/Comments?