

## PROCUREMENT SERVICES MANUAL

### 1 ORGANIZATION

#### 1.1 Mission and Objectives

Procurement Services is dedicated to ensuring that all supplies, materials, equipment and services are procured at the lowest possible cost to RIT - cost being defined as the optimum combination of price, quality, availability, and service. Procurement Services assists with cost control programs and operational support to all areas of campus.

#### 1.2 General Purchasing Policy

It shall be the procurement policy of the university to obtain all supplies, materials, equipment and services at the lowest cost to the university that meet or exceed the customer's specifications for performance, quality and availability at the time of purchase. In conforming to this policy, the capability, capacity and historical performance of the supplier will be considered and weighed in the decision process. Sourcing decisions will also be tempered by supplier diversity and environmental impact considerations. Competitive bids will be solicited whenever possible and practical and in compliance with all applicable federal regulations and university policies.

#### 1.3 Procurement Services Responsibilities

Procurement Services is responsible for oversight of commercial relationships between RIT and its suppliers and seeks to insure that all aspects of our relationships are held to the highest ethical and professional standards. Our suppliers contribute significantly to the ongoing success of RIT and Procurement Services in turn actively supports our suppliers and helps them achieve their objectives. The Supplier Diversity program, which promotes commerce with small, disadvantaged and diversity owned businesses, is one example of this support.

Procurement Services collaborates with departments to develop and execute sourcing strategies for products and services that meet or exceed university requirements and performs these services with the highest ethical and professional standards.

Procurement Services provides support to the university community in the selection, acquisition, use and disposal of goods and services by:

- Maximizing the university's purchasing power by focusing on strategic sourcing and obtaining the best value.
- Leveraging its expertise in contract negotiations and supplier management to advantage the university.
- Streamlining processes and investing in new technologies to provide administrative efficiencies.
- Ensuring that purchases are made in accordance with all applicable university bylaws, laws, regulations, codes and ordinances.
- Minimizing risk exposure while maintaining flexibility in procurement activity.

#### 1.4 Interdepartmental Relations

## 2 PURCHASING AUTHORIZATION

### 2.1 Procurement Services Authorization

Procurement Services is a department in Finance and Administration and reports to the Controller's Office. The Vice President for Finance and Administration of the university has delegated responsibility for the administration of procurement policies and procedures to the Executive Director of Procurement Services.

The authority to make purchases from allocated departmental budgets is delegated to Procurement Services by the authorized department approval on the Purchase Requisition as described in the section below.

### 2.2 Delegation of Purchasing Authority

The Executive Director of Procurement may delegate purchasing authority to decentralized areas with the approval of the Senior Vice President of Finance and Administration. Those areas with delegated purchasing authority are subject to policy compliance verification by the Executive Director of Procurement. Any local purchasing policies differing from the RIT Procurement Services Policy must be approved by the Executive Director of Procurement.

All Procurement Services Department personnel and other department personnel involved in procurement are responsible for understanding and complying with these policies and procedures. Any situation requiring exception to or variation from these policies and procedures should be brought to the attention of the Executive Director of Procurement. The Executive Director of Procurement will recommend to the next higher level of authority exception to or variation from these policies and procedures for final approval. The appropriate reason for the exception and the approval of the Executive Director of Procurement must be documented and available for verification.

### 2.3 Authority to approve Purchase Requisitions

All financial transactions including purchase requisitions are routed for approval through the Approval Management Engine (AME) in Oracle. The AME is a paperless process which routes HR and financial transactions through the appropriate signatories in compliance with the [University's Signature Authority Policy \(SAP\)](#).

### 2.4 Unauthorized Purchases

No individual has the authority to enter into purchase contracts or in any way to obligate RIT for a procurement indebtedness unless specifically authorized to do so by the President, Senior Vice President for Finance and Administration, or the Executive Director of Procurement. Any such commitment is considered an unauthorized purchase and the individual may encounter a personal obligation to the supplier. Firms ordinarily doing business with the University are aware of this policy and are advised that all purchases chargeable to RIT must be authorized by an official purchase order or paid by P-Card.

## 3 STANDARDS OF LEGAL AND ETHICAL CONDUCT

### 3.1 Legal and Ethical Standards Policy

RIT complies with all laws governing its operation and conducts its affairs in keeping with the

highest moral, legal and ethical standards.

Compliance with the law (including anti-bribery, anti-trust and other applicable regulatory law) means not only following the law but also conducting RIT business such that RIT will deserve and receive recognition in all areas of good citizenship. Even where the law does not apply, applicable standards of ethics and morality relate to our activities and require the same diligence and attention to good conduct and citizenship.

In addition, RIT abides by the [National Association of Educational Purchasers \(NAEP\) Code of Ethics](#).

The Sourcing Specialists who procure goods and services on behalf of the University will conduct business in a manner that is consistent with the educational and research goals of the University. Purchasing activities will be conducted in a professional manner. All qualified suppliers will be given equal opportunity to compete for University business. Purchasing decisions will be made on reasonable assessments of quality, service, competitive pricing, and technical qualifications.

Efforts are made to maintain positive and professional relations with suppliers. Business will be conducted in good faith and efforts will be made to resolve disputes quickly and equitably. Suppliers doing business with the University will be held to standards promoting sound and ethical business practices.

Procurement decisions are made with integrity and objectivity, free from any personal considerations or benefits.

### 3.2 Conflict of Interest

Decisions about University business and the acquisition or disposition of RIT property are to be made solely in terms of the benefits to RIT and are not to be influenced by any private profit or other benefit to the RIT employees who take part in such decisions.

While the Development Office may solicit for philanthropic support from the community and suppliers, at no time will contract awards be based on whether or not a contribution is received. Staff involved with the purchasing process will not participate in soliciting suppliers for contributions.

All members of the University community have an obligation to avoid any actual or apparent conflicts of interest. Potential real or apparent conflicts of interest must be reported immediately and uniformly in accordance with the Procedures for the [Implementation of the Conflict of Interest and Commitment Policy](#). Each situation will be reviewed on a case-by-case basis and action will be taken as necessary to ensure that all University transactions are in the best interest of RIT. Failure to report or to act in concert with the spirit of this policy could result in disciplinary action up to and including termination.

### 3.3 Confidentiality of Bids/Quotations/Proposals

All information supplied by suppliers in their bid, quotation or proposal must be held in strict confidence by the employee(s) evaluating, approving or discussing the bid, quotation or proposal and may not be revealed to any other supplier or persons that are directly or indirectly involved in the bid. This policy ensures that confidential information is safeguarded and prevents any potential conflict. In addition, upholding confidentiality of bids/quotations/proposals ensures that

no supplier is given an unfair advantage in submitting bids; and no supplier is negatively impacted by disclosure of information.

While engaged in the bidding process it is imperative that all information given to those bidding, as well as the information received from those bidders is safeguarded so that it remains confidential. Safeguarding information includes that confidentiality is upheld during conversations between peers, colleagues, consultants, temporary associates and general conversations both in and out of the workplace.

Documents transmitted electronically through email, texts, fax and conventional mail including USPS or overnight mail services must be secured at the workplace so that information is not involuntarily or haphazardly obtained. Bid documents, proposals and all subsequent correspondence must be properly filed, maintained and secured so that is not inadvertently revealed. Diligence in retrieving files from fax and copier machines is optimum to maintain confidentiality and to limit access to that information.

Information relating to the project being bid and without limitation, includes technical, financial, operational, legal, commercial, proprietary and any and all other information or data disclosed to or by the bidder in the bidding documents and must not be disclosed and must be kept confidential. Also, confidentiality must be upheld regarding price, products, delivery and contractual terms and conditions. Additionally, all analysis, compilations, studies and other documents prepared by the bidder or its officers, employees, agents or advisers which are submitted by the bidder, must also be kept confidential.

### 3.4 Gifts and Gratuities

Acceptance of gifts or gratuities by RIT employees, from any supplier in any form whatsoever, is prohibited. Solicitation of gifts of any kind or the acceptance of gifts in the form of cash, gift certificates of any amount or the acceptance of entertainment is absolutely prohibited. Door prizes or raffle prizes of significant value (i.e., in excess of \$50.00) obtained at the expense of the University are the property of the University.

Acceptance of gifts or gratuities as described in this section from suppliers may result in disciplinary action up to and including termination.

### 3.5 Donations / Gifts in Kind

Gifts of money or goods to RIT (donations) should be referred immediately to the Development Office.

### 3.6 Business Meals

In general, business meals should be discouraged. If the only time an employee can meet with a supplier is at a meal time, then the employee should pay for his/her own meal.

From time to time it is acceptable for a long-standing, established supplier to offer food as a form of "thank you" for continued business. In this case, a plate of cookies, doughnuts, bagels, pizza, or subs is acceptable. The food should be placed in an accessible area such as a break room for everyone to enjoy. In this case, the supplier should limit the offer of food to once per year.

### 3.7 Business Travel

In conducting University business, it may be necessary to travel out of town to a supplier's place of business. If an employee receives an offer to visit an out of town supplier, the University will pay for any expenses incurred such as airline tickets, lodging, and meals. If in the course of the

business meeting or plant tour, a meal is provided, then the employee may accept the meal as part of the day's planned events.

### 3.8 Trade Shows

RIT employees are encouraged to attend trade shows to become more knowledgeable in their industries and with relevant products. In the course of attending a trade show, many suppliers will secure "business suites" and offer food. Supplier hospitality during the advertised hours of a trade show is allowed. Employees should turn down any offers of entertainment or meals outside of the trade show hours.

### 3.9 Supplier Training

As with trade shows, training sessions are valuable tools to help our employees gain product knowledge to do their jobs better. These training sessions, normally held on the RIT campus, are permitted when new products are introduced or when new procedures need to be conveyed to the employees. Training sessions held during the lunch hour may also include food such as subs or a pizza.

## 4 METHODS OF PURCHASING

### 4.1 Competitive Procurement Policy

All products and services purchased by the RIT require solicitation and/or analysis of competitive proposals, bids or price quotations whenever possible. The standard [Competitive Procurement Policy](#) applies to all methods of purchasing in the Sections that follow. Additional requirements for competitive sourcing may apply for purchases made in association with a sponsored award or grant. Specific guidance for purchases made in association with a sponsored award or grant is detailed in the [Federal Funds Procedures](#).

### 4.2 Procurement Card (standard method for goods <\$5K)

University credit cards are intended to facilitate low-dollar, low-risk discretionary transactions. The standard single transaction limit on the procurement card is \$1,499.99. The procurement card may not be used to purchase capital equipment or services provided on RIT property. Comprehensive [Procurement Card Policies and Procedures](#) can be found on the PSO web page.

### 4.3 University-wide Purchase Agreements

Procurement Services has competitively bid and/or negotiated contracts on behalf of the University that provide the best overall value for commonly used supplies and services. In addition, RIT has access to contracts awarded through competitive processes by Group Purchasing Organizations including the New York State Office of General Services (NYSOGS) and others. The requestor should consult the [Commodity Categories and Suppliers](#) on the PSO web page to determine if the product and/or service can be obtained through one of these contracts.

### 4.4 e-Procurement

e-Procurement enables online creation and in some cases submission of orders. Products are

selected from either a hosted online catalog (“e-Catalog”) or by shopping directly from a supplier’s RIT-specific web site. Access to catalogs is provided on the PSO web page under [Vendor Portals](#). Users should always originate their shopping through the link on the PSO website to ensure that RIT’s pricing and tax-exempt status are applied.

Not all supplier websites listed on the PSO page provide negotiated or contracted pricing. Users should always check with PSO if unclear about which suppliers have current contracts in place.

#### 4.5 Internal Sources / RIT 1<sup>st</sup>

Procurement Services encourages use of RIT resources whenever practical. The goods and services offered internally through RIT can be ordered and paid for through internal journal transactions in the Oracle financial system. They are identified as “RIT First Suppliers” on the PSO website within the [Commodity Categories and Suppliers](#).

#### 4.6 Invoice Payment Form (IPF)

An [Invoice Payment Form](#) (instead of a purchase order) is allowed under limited circumstances as follows:

- Catering (Must use standard [Catering Contract](#))
- Entertainment (Must use standard [Entertainment Contract](#))
- Fees, permits, taxes
- Goods < \$5,000 (only if the supplier does not accept payment by credit card)
- Honoraria (Must use standard [Speaker Agreement](#))
- Legal Fees
- Postage
- Royalty payments
- Speaker Fees (Must use standard [Speaker Agreement](#))
- Sponsorships/Charitable Donations

#### 4.7 Requisitions and Purchase Orders (standard method for requirements >\$5K)

**Purchase Requisitions** are created by departments in the Oracle Purchasing module to submit a request to Procurement Services to purchase the supplies, materials, equipment or services desired. **IMPORTANT: A Purchase Requisition is NOT a Purchase Order.** A Requisition does not have any legal authority and it cannot be used to place orders to suppliers. The Requisition Number is NOT the same as a Purchase Order Number. Requisitions must include appropriate distribution accounts based on the RIT [Chart of Accounts](#) and documentation to support the supplier selection in accordance with the [Competitive Procurement Policy](#). Detailed instructions on the preparation and use of Oracle Requisitions are made available through periodic training offered through CPD. The [Training Manuals](#) for the workshops are also available on the Procurement Services Web page.

**A Purchase Order** is a contractual document once sent to and accepted by a supplier, binds the performance of both parties to the transaction. Only Procurement Services has the authority to issue purchase orders for the university. A purchase order includes [standard terms and conditions](#) that are designed to protect RIT’s legal rights in transactions with suppliers. Only Procurement Services has the authority to change or waive any standard PO terms and conditions including

payment terms which are Net 30 days from the invoice date.

### **Purchase Order Types:**

#### **Standard Goods and Services:**

Most purchase orders are in this category and represent a single transaction for goods or services that once delivered will be invoiced and paid. Quotations should always be provided with the requisition together with any other relevant communication with the supplier.

#### **Maintenance and Service Agreements:**

Maintenance and service agreement orders are purchase orders used to procure annual maintenance services typically for equipment and/or software. A standard Oracle requisition is used to establish the order and all relevant documentation provided by the supplier should be attached to the requisition for review and execution by Procurement Services. This type of order is generally established for one year and renewed each July 1st for the new fiscal year or on the renewal date of the agreement.

#### **Standing/Blanket Orders:**

A blanket or standing order is a single purchase order issued to cover repeat purchases of the same type of service or supply item purchased from a single supplier during a fiscal year. A standard Oracle requisition is used to establish a blanket order and should contain information regarding the specific products or services, pricing, and an estimated total value for the time period. Blanket/standing orders may be renewed for additional time periods with an approved requisition requesting that additional time and funds be added to an existing purchase order. By the nature of its intended use, a large number of transactions may occur between a department and a supplier under this type of purchase order. It is important that the department monitor the delivery of goods or services rendered on a monthly basis to insure the accuracy of supplier invoices and payment against them.

#### **Long Term Contracts:**

To ensure compliance with the [University's Signatory Authority Policy](#), all purchase requisitions must be created and routed for approval based on the full value of the financial commitment with which they are associated. This means that for annual and/or multi-year agreements, the purchase requisition must reflect the full term and total cost of the agreement or contract.

#### **Change orders/Amendments to Purchase Orders:**

All purchases, including changes, must comply with the competitive procurement policy. If a change to a PO increases the total value of the order, please be sure that the approval authority is appropriate for the cumulative total. Moreover, quote/bid requirements are also determined by order totals, therefore, increases to a PO may require new or additional bids if the change or cumulative result of multiple changes results in a significant increase in the total PO value.

## **5 SUPPLIER QUALIFICATION AND GOVERNANCE**

### **5.1 General Policy**

All procurement transactions must be conducted in a manner that promotes full and open

competition. The identification and selection of appropriate suppliers from which competitive bids/quotes/proposals can be obtained can be accomplished through a variety of acceptable methods. Ultimately, the goal is to enlist those suppliers that have the products, capabilities, deliverability, service levels, expertise, resources and knowledge of the University environment that will afford a successful outcome for the University stakeholder(s). Procurements Services maintains [Recommended and Approved Suppliers](#) for reference on their web page.

## 5.2 Guidelines for Supplier Interaction

Supplier representatives can be a valuable source of information for products and services. It is in the best interest of the University to assure that all suppliers are treated in a fair and impartial manner and to avoid favoritism and conflict of interest. To assist you in dealing with supplier representatives, the following guidelines are suggested:

- Contact the appropriate Sourcing Specialist in advance to save time with your purchase. S/he may be able to provide names, addresses and/or phone numbers of supplier(s), and existing contracts offering the goods or services required. S/he can also assist in developing a procurement plan.
- Plan to discuss your need with more than one supplier. Information gathering may reveal alternatives or data not previously discovered.
- All suppliers should be given the same information so each has an equal opportunity to compete. Not providing equal information can be construed as showing favoritism or misrepresentation. Recognize that permanent business relations can be maintained only on a structure of honesty and fair dealings. Difficult economic times also promote a litigious environment. Failure to treat all suppliers equitably may result in protests, which can delay the procurement process.
- Discuss all aspects of the need: i.e., what happens after the department owns the purchase. Consider the life cycle approach, which includes: length of warranty, cost of maintenance, supplies, training, repair costs after warranty, and/or response time required for repair. The cost of the equipment or good may be insignificant compared to these “hidden” costs over the life of the product.
- Guard against overreaction to a supplier created crisis: “Price goes up after the first of the month” or “This is the last one in stock”.
- Unsolicited telephone sales should be ignored or referred to Procurement Services. Such items have often been found to be overpriced and of inferior quality.
- Conduct all business dealings in an impartial and ethical manner. Never accept gifts, gratuities or payments of any kind, including luncheon or dinner engagements or event tickets.
- Do not commit the University by telling a salesperson he or she has the order. Only an authorized Purchasing designee may sign and approve purchases from suppliers. If you enter into an agreement without the proper authority, you may be held personally liable for payment.

## 5.3 Independent Contractors

In order to comply with IRS tax law, RIT must determine whether an individual providing services is an employee or an independent contractor prior to engaging the individual.



Information about how to determine the correct classification is available on the Controller's Office's webpage: [Independent Contractor or Employee?](#)

To make the process of qualifying independent contractors more straightforward, Accounts Payable has developed a pre-approval process. Before engaging the services of an independent contractor, please follow the procedures on the bottom of [this page](#) under the "Independent Contractor" heading. The procedures will guide you through the process and link to all required forms.

#### 5.4 Insurance Requirements

Prior to commencement of any work or services on RIT property, evidence of appropriate insurance coverage must be presented by the supplier. The limits of liability should be determined by risk exposure and not the size of the contract. The [standard insurance requirements](#) can only be modified by Procurement Services with approval of Global Risk Management.

#### 5.5 Supplier Qualification

RIT will only conduct business with reputable and stable suppliers who are capable of providing the goods and services required. Prospective Suppliers must complete a [Supplier Setup Form](#) and depending on business classification, may also require [Pre-Approval to engage as an Independent Contractor](#).

Procurement Services will verify that prospective suppliers do not appear in the [US Government Lists of Parties Excluded](#) from Federal Procurement or Non-Procurement Programs when a proposed purchase is funded by a federal government grant, cooperative agreement or contract and will exceed \$25,000.

All formal bid requests require completion of the [Supplier Qualification Form](#) to determine the financial stability and business experience of suppliers with whom RIT has no previous experience.

#### 5.6 Minority and Small Businesses / Affirmative Action

It is RIT policy to select and purchase from suppliers who offer the greatest total value for the products and services to be purchased. Within this general policy, it is RIT's objective to employ innovative techniques to find and develop small, small disadvantaged, small women-owned, small veteran-owned, small disabled veteran-owned and small HUBZone (MBE) businesses capable of providing products and services required by the University.

RIT's objective is to increase its business with minority business enterprises (MBEs) via affirmative action to promote procurement of products and services from these suppliers.

Procurement Services will:

- Seek out purchasing opportunities for MBE suppliers at the University and include in solicitations whenever possible.
- Identify and assist MBE suppliers to qualify them to do business with the University by considering requirements carefully to permit maximum participation.
- Serve as a resource bank for information concerning MBE suppliers utilizing resources such as the Small Business Administration and Minority Business Development Agency.

For further information, visit [Supplier Diversity](#) on the procurement Services Web Page.

## 6 SPECIALIZED POLICIES AND PROCEDURES

### 6.1 Grants/Awards (Federal Funds)

In December 2014, the Office of Management and Budget (OMB) issued the “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards” (Uniform Guidance). The Uniform Guidance includes procurement procedures required when using federal funds. RIT standard policies and procedures as documented herein comply with this Uniform Guidance however additional requirements for competitive sourcing may apply for purchases made in association with a sponsored award or grant as detailed in the [Federal Funds Procedures](#). Recipients of federal funds must follow the RIT procurement policies and procedures as outlined in this manual in addition to all federal guidelines. It is important that all Principal Investigators (PIs) on federally funded grants read the procurement sections of the Uniform Guidance, 2 CFR §200.317 through §200.326, to ensure compliance.

### 6.2 Construction Projects

All procurement that involves architectural/engineering (A/E) and/or construction services must be directed to Facilities Management Services (FMS). FMS in cooperation with the PSO competitively bids all construction projects. Projects in excess of \$1,000,000 require the approval of the Board of Trustees.

FMS may self-perform construction projects of any size and may subcontract any portion of the work to an outside contractor using competitive bidding procedures for subcontracted portions.

### 6.3 Capital Equipment

RIT defines capital movable equipment as an article of nonexpendable tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Movable equipment includes industrial and office equipment and tools, laboratory equipment, furniture, fixtures and vehicles. The Property Accounting page on the Controller’s Web page includes [Guidelines to Follow when Purchasing Capital Equipment](#) to further define the treatment of accessories, attachments, shipping costs, installation costs, component parts and enhancements to existing equipment and explain the proper classification of computer hardware and software among other things.

### 6.4 Leases and Rentals

A lease is an agreement conveying the right to use property for a specified time and for a specific amount of money. In a true lease, the property being used remains the sole property of the lessor (supplier), and the lessee (university) builds no equity in the leased property. A lease/purchase agreement allows the lessee to build equity and purchase the property from the lessor for a nominal amount at the completion of the lease. The term of a lease is fixed in duration and generally not cancelable. A rental agreement is similar to a lease in that the user does not build ownership in the asset. A rental agreement differs from a lease in the length of the agreement (usually less than one year) and the agreement can usually be cancelled by the renter prior to the end of the agreement without penalty.

Equipment leases fall into two categories: operating leases and capital leases.

Capital Lease - To be considered a capital lease, a lease must meet one or more of these four

criteria: (1) title of the asset passes automatically from the lessor to the lessee at end of the lease term, (2) lease contains a bargain purchase option under which the lessee may acquire the leased asset at less than its fair market value at the end of lease term, (3) lease term is for a period longer than the 75 percent (75%) of the estimated economic life of the asset, or (4) the present value of the lease payments is greater than 90 percent (90%) of the fair market value of the asset at the beginning of the lease term. A capital lease is a 'full payment lease' because the lease payments pay back (amortize) the full cost (including financing costs, overheads, and profit margin) of the leased asset to the lessor, with little or no dependence on the residual (or salvage) value of the asset.

Operating Lease - An operating lease is commonly used to acquire equipment on a short-term basis that is significantly less than the economic life of the asset. The lessor gives the lessee the exclusive right to possess and use the leased asset for a specific period and under specified conditions, but retains almost all risks and rewards of the ownership. Since the maintenance of the leased asset is usually the responsibility of the lessor, they are called also maintenance leases or service leases. An operating lease does not meet any of the criteria for a capital lease. Operating leases are commonly used for leasing vehicles and office equipment such as copiers.

All forms of lease, lease-purchase or rental agreement must be reviewed in advance by procurement services and department financial management. All lease / lease-purchase / rental orders must have an associated Purchase Order. The original copy of the Lease Agreement should accompany the purchase requisition sent to Procurement Services. Procurement Services tracks all leases using the iContracts contract management system.

## 6.5 Vehicles

All vehicle acquisition or disposal must first receive approval from Finance & Administration. The RIT vehicle fleet is managed by Facilities Management Services (FMS). Procurement Services will facilitate the transaction.

## 6.6 Trademark usage and Licensing

The logos, seals, names, symbols and slogans associated with the University are the exclusive property of RIT. Proper use of the [University graphic identification](#) is required when purchasing marketing and/or promotional items for internal use and resale purposes. Reproduction of these marks for resale, promotional or other commercial purposes must have university authorization from the Marketing and Communications Department. This protects against the manufacture, display or sale of merchandise without the university's consent. In many cases the supplier must also sign a license agreement with our partner Learfield Licensing. A royalty on the wholesale price of all branded merchandise purchases will be paid by licensed vendors to the University through our licensing partner. Licensed vendors often already include this royalty in their published pricing. Staff uniforms, team uniforms and other work/office apparel are exempted from royalties but are not exempted from the requirement of using licensed vendors. All campus departments and organizations (including student organizations) must order branded merchandise (apparel and non-apparel, i.e. t-shirts, water bottles, pens, etc.) from licensed vendors. PSO maintains a list of [approved suppliers](#) that meet these requirements on their web page.

## 6.7 Hazardous Materials

POLICY STATEMENT (Per the Environmental Health and Safety Department of the Global Risk Management Services Division)

In conducting University operations, chemicals are used that require specific precautions. To protect the health of our employees, students, contractors and visitors, it shall be the policy of Rochester Institute of Technology that our employees will be informed of any chemical hazards associated with their job functions.

Departments must adopt and implement procedures for purchasing, receiving, storing and handling of potentially hazardous chemicals required for health and safety, congruent with applicable federal, state and/or local requirements including provisions for chemical hazard evaluation, container labeling, collection of material safety data sheets and employee training.

### MATERIAL SAFETY DATA SHEETS (MSDS)

The basic disclosure document required by the Chemical Hazard Communication Standard, and upon which all other requirements of the standard are based, is the Material Safety Data Sheet.

The MSDS provides a uniform outline of each hazardous chemical and special precautions and controls necessary for the chemical's use. Because of the variety of chemical substances utilized in our operations, we maintain MSDS's at both the department level and in a master file at Public Safety maintained by the environmental health specialist. An inventory list as well as the MSDS of the hazardous chemicals found in each department will be maintained in the department by the designated department safety coordinator or other individual designated by the dean, director or department head. Copies of the department inventory lists are to be sent to the Environmental Health Specialist annually, upon request.

The information on the MSDS will be used to determine if a chemical is considered hazardous. Therefore, it is important to obtain either an MSDS for every chemical, or written notification from the chemical manufacturer or supplier that its product is not considered hazardous under OSHA 1910.1200.

No MSDS will be prepared by RIT. We will rely on the chemical supplier for the accuracy of the MSDS.

Procedure:

- MSDSs are required as a condition of all purchases and for an initial shipment to be received from a manufacturer, importer or distributor. Therefore, each supplier or manufacturer will be required to provide an MSDS on each chemical. This statement will be added to purchase orders, where appropriate. Material Data Safety Sheets are required for purchases of chemically based products (in accordance with 29CFR1910.1200, the Hazard Communication Standard).
- The Department purchasing agent or satellite buyer will make written attempts to secure the MSDSs not received from suppliers following initial verbal requests. The Environmental Health Specialist will be contacted in writing if a second request to a supplier goes unanswered. Copies of all correspondence will be kept in the departmental MSDS file.

## 6.8 Sustainable Procurement Standards

RIT strives to conduct its activities in an ecologically and economically sound manner and promotes responsible consumption and environmentally sound practices among all members of the University community. RIT recognizes that sustainable purchasing is a critical component of preserving our natural resources, lowering operating costs, and minimizing waste; to this end RIT will:

- Specify, whenever possible and reasonable, the use of sustainable, environmentally friendly systems, equipment and materials.
- Ensure that all supplies, materials, equipment and services are procured at the lowest possible cost.
- Comply with all relevant procurement and environmental regulations.
- Investigate resource conservation, reuse and recycling options and encourage adoption by all members of the University community.
- Promote and maintain activities that encourage exchanges, swaps and resale of surplus products and supplies.
- Commit to purchasing Energy Star certified appliances and products.
- Promote business with suppliers that consistently demonstrate sustainable and socially conscious business practices.
- Work within the University and in the broader community in which we reside to share experiences and encourage the adoption of sustainable practices.
- Develop and implement the use of assessment tools designed to evaluate the effectiveness of this policy and make changes where necessary.

## 6.9 Surplus Equipment Transfer, Sale or Disposal

Equipment and materials acquired with University funds, Grant funds or donated to the University are the property of RIT. The University will dispose of surplus property in an environmentally and fiscally responsible manner in accordance with local, state and federal regulations.

### **Grant Funded Items:**

Sponsor funded purchases and donations may have specific disposal restrictions. Read the sponsor agreement or donation documentation and contact Sponsored Program Accounting (SPA) to help determine if there is a restriction before proceeding.

### **Capital Equipment:**

Contact Procurement Services to ensure proper accounting and record keeping.

### **Furniture:**

As part of your planning for new furniture or office renovation all furniture orders greater than \$5K or involving activities such as furniture removal, painting, carpet, small repairs, and electrical evaluations will require an [FMS Project Request](#) prior to ordering or engaging a supplier. The FMS project manager is responsible for assessing furniture reuse and coordinating removal.

For furniture projects < \$5K, departments may consider offering surplus furniture within the University at no cost. FMS offers pick-up and delivery service for a nominal fee if needed.

### **Computers and Electronics:**

**Definition of Electronic Waste:** All monitors, televisions, cathode ray tubes (CRT's), Computer Processing Units (CPU's) and keyboards are considered hazardous waste material due to the content of lead, silver, cadmium and other heavy metals used in their manufacture. They cannot be disposed of in the regular trash and must be managed in accordance with New York

State Department of Environmental Conservation (NYSDEC) Rules and Regulations (6 NYCRR 371.1). RIT has chosen to dismantle and recycle electronic waste for scrap metal recovery in an environmentally conscientious manner.

Disposal of electronic waste is handled by EWASTE+ (formerly Rochester Computer Recycling and Recovery). They will remove, recycle and dispose of electronic waste. Please login and complete the [Pick Up Request Form](#) to schedule a pick-up.

Other electronic equipment may also need to be disposed of as hazardous material if you know or suspect that it contains heavy metals or other hazardous materials. If there is any uncertainty the manufacturer of the piece of equipment should be contacted and asked to provide instructions on appropriate disposal.

Usable electronic computer equipment that is in working order, with the processor and/or monitor working, can be handled as surplus equipment. If this option is chosen, care should be taken to assure that sensitive information is removed permanently from the computer hardware.

If electronic waste is found in the regular trash stream, the Environmental Health and Safety Office of Public Safety will be notified and the Dean/Division Head of that area will be informed.

If you have any questions, please contact the RIT Environmental Health Specialist – Public Safety, or visit the [New York State Department of Environmental Conservation](#) web site.

#### **Vehicles:**

Contact Procurement Services.

## **7 RECEIVING PROCEDURES**

### **7.1 Receipt of Tangible materials (supplies and equipment)**

Products ordered by purchase order generally require receipt in Oracle to satisfy the 3-way match requirement (PO/Receipt/Invoice) and enable payment to occur. The Central Receiving Department will enter receipts based on packing lists when provided on the outside of the package. When shipments are not processed through Central Receiving, departments must provide notification by [email](#) and provide adequate documentation (preferably a packing list).

### **7.2 Inspection by Departments**

The ultimate responsibility for receipt and inspection of goods lies with the ordering department. When Central Receiving signs for goods received they do not inspect the package contents. The ordering department is responsible for promptly unpacking and carefully inspecting shipments. Any discrepancies or shortages should be reported to the Central Receiving Department and Procurement Services within one working day, noting the purchase order number and supplier. Procurement Services will work with the supplier and the Central Receiving Department to protect the University's interest and resolve the discrepancy.

### 7.3 Claims Involving Damage or Shortages

Notice of damages or shortages identified by Central Receiving are directed to Procurement Services immediately. For shipments initiated with the RIT Procurement Card, the requestor will be contacted. When damages or shortages are evident, Central Receiving will make the proper notations on the carrier's waybill and enter a damage claim with the carrier to compensate the university. Central Receiving will use best efforts to refuse delivery of obviously damaged goods. This refusal places the responsibility of generating damage claims on the supplier, and not RIT.

In the case of hidden damage or shortages undetected by the Central Receiving, the ordering department should contact Central Receiving and Procurement Services promptly (one working day) if corrective action needs to be taken. Procurement Services can place the purchase order on hold to prevent invoice payment until the issue is resolved. Retain all packing materials as failure to do so will most likely void any chance of obtaining a claim against the carrier.

### 7.4 Return of Supplies or Equipment

Supplies or equipment obtained with an RIT Purchase Order to be returned to a supplier for credit, adjustment or replacement should be cleared through Procurement Services. For transactions made with the RIT Visa Procurement Card, the requestor should deal directly with the supplier and Procurement Services need not be contacted. Credit memos received which cannot be identified with returns will receive disposition at the discretion of the Controller's Office. Procurement Card credits will be made directly to requestor's Visa account. Departments are urged to keep all such requests to the absolute minimum.

When an item is to be shipped from the RIT campus for return, repair or any other reason requiring reimbursement from University funds, the procedures outlined below should be followed:

- Notify Procurement Services. Procurement Services will contact the supplier for a return merchandise authorization (RMA). Procurement Services will work with the end user to coordinate the return and replacement of the items in question. For credit card purchases, the supplier should be contacted directly.
- Prepare a shipping memo and notify the Central Receiving Department to return the goods and memo to the receiving dock.
- The Central Receiving Department will take the necessary steps to forward the goods according to the instructions on the shipping memo. When necessary, the Central Receiving Department can arrange for special packaging; however, it is recommended that the responsibility for proper packaging remain with the department.

## 8 ACCOUNTS PAYABLE PROCEDURES

### 8.1 Purchase Order Invoice Approval

When purchasing Goods (materials and/or equipment), the purchasing cycle constitutes a three-way match between the purchase ordered quantity, received quantity and invoiced quantity. There is also a purchase price verification that the invoice amount matches the purchase order amount. All invoices must be sent to [accounts payable](#) to be matched to the purchase order for

payment. Note: Invoices attached to a purchase requisition are NOT forwarded to accounts payable by Procurement Services. The invoice is entered in Oracle Accounts Payable and matched to the purchase order. If the three-way match conditions are met, the invoice will be approved and will be paid according to payment terms on the order. If the three-way match conditions are not met, the invoice will go on hold.

When purchasing [Services](#), Oracle does not require a receipt. Invoices are routed through workflow to the Requester for review and release. Upon release, Oracle will match based on purchase order and invoice value. If the amount is within the tolerance (generally 10%), the invoice will be released for payment according to the terms on the purchase order. Procurement Services receives notification if the match is not within the tolerance and will contact the supplier and/or department to resolve the Hold.

## 8.2 Purchase Order Invoice Holds

Oracle will notify the requesting department and/or buyer when holds are applied on an invoice. The requesting department is responsible for notifying [Central Receiving](#) that the materials or equipment were received and/or [Procurement Services](#) for making any corrections to the purchase order including additional line items, price adjustments or additional funds. When the invoice passes the matching conditions, the invoice will be approved and paid according to payment terms.

## 8.3 Prepayments

Contact Procurement Services if a prepayment is required. Prepayments are discouraged as payment in advance of receipt of goods and/or services places the university and department at risk of loss if not received as ordered or in unsatisfactory condition. Procurement Services will seek to negotiate standard payment terms and if unsuccessful will secure required documents from the supplier and provide instructions for the purchase requisition to ensure proper accounting treatment.

## 8.4 Credit Memos

A credit memo is a document issued to show a reduction in the amount owed by RIT because goods were returned, were defective, or there was an error in invoicing. All credit memos received relating to a purchase order must be sent to [accounts payable](#) to be matched against the purchase order. The credit memo is entered in Oracle Accounts Payable to offset the original invoice.