

## Procurement of Goods and Services

### Policy/Procedure

All purchases and expenditures of Dickinson College (the “College”) funds must meet the ordinary business standard of reasonable and necessary, with prudent consideration of the College’s limited financial resources. Purchases of goods and services on behalf of the College are authorized in accordance with the College’s *Procurement Authorizations Policy*, and should not exceed the departmental budget or, in the case of restricted accounts, should not exceed the restricted fund balance.

Purchases may be made in person or by telephone, fax, internet, or mail. Employees who frequently purchase low dollar items and employees traveling on a frequent basis, are encouraged to apply for a College Purchasing Card. When making a purchase, an employee should perform the following procedures:

- Identify yourself as a Dickinson College employee, making a College purchase;
- Provide the vendor with the College’s tax exempt ID number<sup>1</sup>;
- Provide the vendor with explicit delivery information, including your name and department;
- Always ask for an order confirmation number. This is invaluable if you have discrepancies with the order or need to trace the delivery; and
- Retain an original copy of the receipt and other supporting documentation to validate the purchase.

If the purchase of goods is connected to a disposal, trade-in, sale, donation, etc. of College equipment, the Assistant Controller in Financial Operations must be notified in order to verify the method of disposal, valuation of assets, and any necessary accounting requirements for accurate recording in the Banner Fixed Assets module.

The College is required to document any related party transactions or vendors with which the College or employees could have a conflict of interest. If such a relationship exists, Financial Operations must be notified prior to the purchase of goods and/or services.

Grants often contain more restrictive covenants on the types of allowed expenditures along with requirements for competitive bidding. Employees purchasing under grants should check with the Grant Manager or Sponsored Programs in order to ensure proper compliance with grant restrictions.

---

<sup>1</sup> The College’s tax exempt ID number can be found on the Financial Operations website ([http://www.dickinson.edu/info/20082/financial\\_operations/1344/sales\\_tax\\_exemption](http://www.dickinson.edu/info/20082/financial_operations/1344/sales_tax_exemption)) by clicking on the link for the state where the vendor is located.

## **New Vendors**

The College is required to have an IRS Form W-9, *Request for Taxpayer Identification Number and Certification*, W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, or an acceptable substitute form, along with an [Independent Contractor Status Determination Form](#), on file for each vendor providing services to the College. The proper form must be on file in Accounts Payable before a payment will be processed for a new vendor.

## **Purchase Orders**

Purchase Orders are not required by Financial Operations, but may be required by certain vendors or in certain departments. Departments utilizing Purchase Orders may establish a system of approvals, but must follow the overall *Procurement Authorizations Policy* established by the College when approving the invoice. Purchase Orders may be processed in Banner or hard copy (outside of Banner) Purchase Orders may be obtained by contacting Financial Operations.

## **Competitive Bidding**

Every reasonable effort should be made to obtain the best possible quality, service and price. Single purchases in excess of \$25,000 should be accompanied by documentation of competitive bidding from at least three vendors. Competitive bidding is typically waived under the following circumstances:

- Sole source: the vendor being used is the only one who provides the goods or services needed by the college;
- Emergency: the goods or services are needed immediately to address an environmental, safety or health emergency.
- Economic: goods or services from another vendor would result in incompatibility with existing goods or services; require substantial time/money due to training requirements, retrofitting, etc.; and/or goods or services are offered at a substantial discount.

The college's purchasing portal gives employees access to pre-negotiated and competitively-bid contracts with vendors commonly used by departments across campus. Many of these vendors provide discounts based on prices negotiated through purchasing consortiums and should be considered when applicable.

## **Sustainable Procurement**

When possible, Dickinson College considers the environmental impact in purchasing decisions. The use of products and services with less environmental impact will be considered favorably when it is a best-value decision to do so. Factors included in the decision are: energy efficiency; shipping materials (returnable, reusable or made from recycled content); and environmental performance of the supplier/producer (waste prevention, waste reduction, pollution prevention, clean air/water programs and other initiatives).

## Related Information

Conflicts of Interest and Outside Employment Policy (HR)  
Petty Cash  
General Ledger Accounting  
Fixed Asset Management  
Sponsored Projects and Grants Administration  
Agency Funds  
Accounts Payable Payment Methods  
Payments to Non-Resident Aliens  
Payments to Students  
Worker Classification and Payment  
Invoice Processing  
Procurement Authorizations  
Personal Purchases Policy  
Purchasing Card  
Receipt and Return of Goods  
Purchase Order Terms and Conditions  
Tax-Exempt Purchases  
1099 Tax Reporting and Withholding  
Joint Venture Policy  
Travel and Related Expenses

## History/Revision Information

**Responsible Office/Division:** Financial Operations  
**Effective Date:** October 2012  
**Last Amended Date:** June 2017  
**Next Review Date:** Annually in June  
**Also Found In:**