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PROCUREMENT POLICY

Department of Procurement

The Southern Baptist Theological Seminary

1. INTRODUCTION

1.1 POLICY PURPOSE:

The purpose of this policy is to help ensure the effective and efficient procurement of goods and services needed to further the Seminary's mission.

Department of Procurement. The Department of Procurement is responsible for the Seminary functions of purchasing, accounts payable, receiving, and inventory control.

In the interest of serving the Seminary and its constituents, the Department of Procurement is guided by three primary objectives:

1. Purchases are to be made in consideration of the objectives and policies of the Seminary, as well as the particular requirements and objectives of its departments.
2. Maximum, value for each dollar of the expenditure must be obtained.
3. Qualified, competitive bidders must be solicited when required and given fair consideration.

The Department of Procurement derives its authority to sign contracts on behalf of the Seminary from the Board of Trustees. The Department of Procurement also has the sole authority to order supplies, materials, and equipment, and to obligate the Seminary for contractual services with the exception of books purchased by the Library and books, materials, and supplies purchased through Lifeway. The Seminary will assume only those obligations evidenced by a previously issued and duly authorized purchase order or a purchase properly made using a duly authorized procurement card. No employee or officer of the Seminary is authorized to make oral or written contracts or binding commitments in the name of the Seminary, regardless of the source of funds.

The Department of Procurement has the responsibility for the procurement of all goods and services and for making the final determination of source of supply. These decisions will be made in conjunction with the using departments, as appropriate. The Department of Procurement is to serve as the exclusive channel through which all bids and quotations are received and processed. The using departments, upon prior approval from the Department of Procurement, may obtain informal prices. In cases where technical details are necessary, the using departments may correspond with suppliers. In such cases, the Department of Procurement should be provided with copies of all such correspondence. Close communication and coordination between the Department of Procurement and the using departments must occur.

If you have any questions regarding this policy, please contact our office at accountspayable@sbts.edu or purchasing@sbts.edu. We are happy to help.

1.2 BUSINESS PRACTICES

The Department of Procurement seeks to employ fair, legal and sound business practices in all aspects of its operations.

Competition. Procedures will be followed to foster fair competition among interested suppliers so as to secure goods and services needed by the Seminary at the best possible prices in order to obtain the maximum value for all expenditures. In addition, all business relationships and transactions will be conducted at arms-length.

Contractual Terms. The Seminary will strive to procure all goods and services using contracts with appropriate terms and conditions so as to protect both the Seminary and the vendor. This is normally accomplished by use of a standard Seminary purchase order. A Seminary purchase order creates a binding contract between the Seminary and the vendor. Each one issued describes the particular goods or services being purchased, their quantity and price, as well as payment and other terms and conditions that specify each party's rights and obligations related to the transaction.

Vendors who wish to conduct business with the Seminary should accept Seminary purchase orders. Departments should not do business with vendors who will not accept the Seminary purchase order since to do so would expose the Seminary to unnecessary risks.

In addition to purchase orders, the Seminary will also conduct business with outside vendors by using requests for proposals (RFPs) and procurement cards as set forth elsewhere in this policy.

Accounting for Procurement Transactions. Seminary departments are responsible to ensure that each purchase is charged to the appropriate expenditure account within its department. This will help ensure that all transactions are accounted for in accordance with Generally Accepted Accounting Principles (GAAP).

1.3 ETHICS AND OPERATIONS

The Department of Procurement is committed to abiding by the principles embodied in the Code of Ethics of the National Association of Educational Procurement's:

- Give first consideration to the objectives and policies of my institution.
- Strive to obtain the maximum value for each dollar of expenditure.
- Decline personal gifts, gratuities or any other gift of value unless accepted on behalf of my institution
- Grant all competitive offers equal consideration insofar as the established policies of my institution permit, and regard each transaction on its own merits.
- Conduct business with potential and current suppliers in an atmosphere of mutual confidence and integrity, void of intentional misrepresentation.
- Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- Use only by consent, original ideas and designs devised by one vendor for competitive purchasing purposes.
- Be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
- Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- Cooperate with trade and industrial association and governmental and private agencies engaged in the promotion and development of sound business methods.
- Foster fair, ethical and legal trade practices.
- Counsel and cooperate with NAEP members and promote a spirit of unity among them.

1.4 GIFTS

Seminary personnel shall not solicit or accept significant gifts from a supplier or prospective supplier. A 'significant gift' is defined as any item, service, favor, money, credit, or discount which has a value of \$50.00 or more, and/or that is not available to others and/or which could influence purchasing decisions. Seminary personnel may accept trivial items (tickets to events, give a ways, etc.) as a matter of courtesy, but may not solicit them. Gift cards or cash equivalent items are strictly prohibited. Acceptance of social invitations to occasional business meals, entertainment, and hospitality will be subject to prudent judgment as to whether the invitation places or appears to place the recipient under any obligation. The appropriateness of the occasion, frequency of such invitations, and choice of facilities are factors that will be considered in making such determinations. Questions about the value of a gift or the appropriateness of an invitation should be referred to the Director of Procurement to ensure compliance with the Department's guidelines.

Payments to individuals for services, appreciation, recognition, prizes, and awards are considered taxable income to the recipient. The amount of the payment will be subject to tax withholding and included on Form W-2 for employees or reported on Form 1099-MISC if the recipient is not an employee of the University.

These types of payments must only be made directly to the individual from the University (via Accounts Payable or Payroll by check or direct deposit) to ensure compliance with Internal Revenue Service requirements. Payments made by third parties to individuals by cash or check for services, prizes, awards, gifts for giveaways are not permitted and will not be reimbursed by the University.

1.5 CONFLICT OF INTEREST

The Seminary's reputation for impartiality and objectivity as well as sound business practices requires that Seminary employees not make decisions for the Seminary if their personal economic interests are directly affected by the outcome. A business entity in which a Seminary employee has an economic interest represents a conflict of interest if the Seminary employee is involved in the selection of that entity as a Seminary vendor. An economic interest includes the employee's or a relative's ownership or partnership in the business, including serving as stockholder, director, or officer in a non-publicly held company.

Engaging a relative as an independent contractor is also a conflict of interest for a Seminary employee. A conflict of interest is avoided if the Seminary employee brings a supervisor into the decision to engage the vendor. Such a conflict and the arrangement to avoid it must be documented and approved by the Senior Vice President of Institutional Administration.

In addition, the Seminary has a policy that transactions with vendors and contractors shall be conducted at "arms length." Reasonable attempts are made to give opportunities for those who are associated with the Seminary to submit proposals or bids. However, decisions on selection of a vendor or contractor are made on a basis of quality, ability, and cost, without regard to these other relationships.

1.6 CONFIDENTIALITY

The Seminary values confidentiality in its relations with suppliers. All quotations, proposals, suggestions, and proprietary information are to be held in the strictest confidence. Proprietary information exchanged during transactions shall be identified and stored by bid and vendor name in the Department of Procurement.

2. PROCUREMENT CONTACT INFORMATION

Please feel free to contact the follow people in our office with questions or concerns related to the following areas:

Director of Procurement:

Andy Donahou
 Phone: 897-4722 (ext.4722)
adonahou@sbts.edu

Supervisor of Accounts Payable and Procurement Operations

Ana Williams
 Phone: 897-4395 (ext.4395)
AccountsPayable@sbts.edu

- Accounts Payable
- Business Travel (rental cars, etc.)
- Procurement Cards
- Invoice Dispute Assistance
- Vendor Payment History (including invoices and credit memos)

Procurement Assistant

Jeremy Sells
 Phone: 897-4722 (ext.4722)
Purchasing@sbts.edu

- Capital and Contingency Projects
- Requisitions and Purchase Orders
- Name Plate and Door Plate Orders
- Purchasing Policies and Procedures
- Requests for Proposals (RFP) and Bids
- Standing Purchase Orders

Accounts Payable Assistant

Amanda Mackey
 Phone: 897-4395 (ext.4395)
amackey@sbts.edu

- Accounts Payable
- Check Requests
- Invoice Dispute Assistance
- New Jenzabar Vendor IDs
- Vendor Payment History (including invoices and credit memos)

Supervisor of Central Stores

Sid Hill
 Phone: 897-4397 (ext.4397)
shill@sbts.edu

- Shipping & Delivery
- OfficeMax Orders
- Stockroom Requisitions
- Used Furniture Holdings and New Furniture Orders

<p>Office Location Sampey Hall Room 4106 1st Floor</p>	<p>Mailing Address The Southern Baptist Theological Seminary Attn: Procurement 2825 Lexington Road Louisville, KY 40280</p>	<p>Hours of Operation M-F 8:00am to 5:00pm Phone: (502) 897-4722 Fax: (502) 897-4202</p>
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3. AUTHORITIES AND RESPONSIBILITIES

Authority and responsibility for various aspects of Seminary purchasing and contract processes have been delegated to the end-user of the materials, supplies, equipment, or services, thus promoting efficient operations. This approach requires that Seminary employees involved at every stage of the purchasing process take responsibility for understanding the Seminary's policies and procedures regarding purchasing and vendor relations.

Seminary employees must be authorized to commit the Seminary's resources to a purchase. For this reason, each Seminary Department must have a Signature Authority Form (found in Appendix A of this policy) filled out and on file with the Procurement Department to specify the authorized persons. In addition, any contract the Seminary enters into must be evaluated and signed by the Procurement Department for the contract to be legitimate and before Seminary funds will be extended. Segregation of duties and responsibilities in the purchasing process provides proper controls. As the dollar value and complexity of a purchase increases, so does the level of authority and responsibility required to obligate the Seminary for a purchase.

The Seminary recognizes that for the purchase of certain supplies, services, equipment, or construction, effective procurement may require that technical evaluation and preparation of specifications be delegated to a certain department or Seminary employees possessing particular technical skills or knowledge.

The Department of Procurement has the authority to review and question any purchasing transaction. All purchasing contracts and agreements are subject to review and approval by the Seminary officers who may best determine the appropriateness of the acquisition or activity. Violators are subject to disciplinary action up to and including the termination of employment if proper authorization is not obtained.

3.1 DEPARTMENT STAFF RESPONSIBILITIES

Department personnel are responsible for:

- Conducting price or cost analysis
- Determining needs
- Ensuring the proper receipt of ordered goods or services
- Initiating a purchase requisition through the Seminary computer system
- Keep correct Procurement Card log as set forth in the Procurement Card Policy
- Providing assistance in selecting a vendor
- Researching vendors
- Returning Receiving Report "gold copies" to the Procurement Department.
- Tracking documents and paperwork flow

3.2 BUDGET MANAGER RESPONSIBILITIES

Budget Managers are responsible for:

- Approving every purchase request
- Determining that adequate budget funds are available prior to committing to the purchase transaction
- Determining the bona-fide business purpose of the transaction
- Ensuring compliance with Seminary policy and applicable donor restrictions related to the use of restricted funds
- Monitoring and reconciling all purchase transactions using the Seminary's financial statements and reports
- Negotiating and resolving disputes with vendors
- Reviewing and approving reimbursement requests and other special purchasing transactions

3.3 DIVISION HEADS, SCHOOL DEANS, & VP's RESPONSIBILITIES

Division heads, school deans, and VP's are responsible for:

- Ensuring compliance with Seminary policy and donor restrictions related to the use of restricted funds and the acquisition of regulated or controlled goods
- Monitoring budget reports to prevent over expenditure
- Reviewing and approving director reimbursement requests and other special purchasing transactions

3.4 PROCURMENT DEPARTMENT RESPONSIBILITIES

The Department of Procure is committed to:

- Providing the best service possible to the Seminary community while expediting the procurement of goods and services
- Providing guidance, oversight, and problem resolution to Seminary departments and to ensure consistent compliance with Seminary purchasing policies and procedures.
- Authorizing contracts on any commodity/service being purchased by the Seminary
- Securing competitive quotes and bids when required to obtain maximum value from the expenditures of Seminary funds
- Coordinating the procurement of goods and services for all academic and administrative units of the Seminary
- Logging new projects, processing project requests, obtaining telephone bids, and recording written bid requests in support of the management of capital projects and contingency requests.
- Managing the day-to-day operations of the Accounts Payable department, including processing non-payroll disbursements to various individuals, partnerships, corporations, and other entities.
- Responding to inquiries and providing assistance and information regarding the status of purchase order activities; performs research in support of information provided.
- Maintaining departmental records including Seminary contracts with vendors.
- Obtaining vendor bids through a formal Request for Proposal process.
- Ensuring compliance with governmental laws and Seminary policy
- Procurement professionalism by its personnel
- Maintaining reputable relations with vendors that service the Seminary
- Developing new sources of supplies and equipment to assure Seminary departments have an adequate number of vendors from which to obtain supplies, equipment, and services

4. SALES TAX EXEMPTION USAGE

The Seminary is exempt from paying sales tax in Kentucky and Indiana. Sales tax is generally not reimbursable, except for approved business travel and entertainment expenses. Purchases made from local vendors or grocers, including food or incidentals, are not an exception and sales tax will not be paid nor reimbursed. Oftentimes a vendor will require that the Seminary provide them with our Purchase Exemption Certification. This form can be found in Appendix B on page 35 of this policy. Sending this information to a vendor does not represent an agreement in any way. This certificate may only be used to conduct official Seminary business.

4.1 NONPROFIT INSTITUTION EXEMPTION

The Seminary is organized and operated exclusively for religious and educational purposes. Consequently, purchases of any kind by Southern Seminary are exempt from sales and use tax.

4.2 USE OF SEMINARY TAX STATUS

This tax-exempt status is to be used exclusively by Southern Seminary to make purchases of goods and services that are to be used to further its exempt purposes. This tax-exempt status may not be used for personal use by individuals, faculty, staff, or students. Any tax-exempt purchase by a student organization must be Seminary-related and paid for through Seminary funds.

NOTE: Misuse of our tax privilege could result in a loss of our tax-exempt status.

5. PURCHASING GUIDELINES & OPTIONS

The Purchasing Quick Reference can be found in Appendix C of this policy.

5.1 PROCUREMENT CARDS

Procurement cards are special-purpose credit cards issued to Seminary departments to which purchases of operating supplies may be charged. These credit cards are issued to help departments more effectively and efficiently run the operations of that department. Only supplies may be charged to the procurement card. Neither equipment nor services may be purchased using a procurement card, but instead must be acquired through the purchase order or check request process. Please see the ProCard Policy for more details on eligible purchases.

In general, single purchases up to \$2,500.00 may be made on the procurement card (split purchases are strictly prohibited). Items that are above \$2,500.00 or considered equipment must go through the Requisition and Purchase Order Process. In addition, If the item you are wishing to purchase is under \$2,500 and is NOT:

- Personal
- Travel related
- Business meal or entertainment related
- Equipment
- Capitalized
- A service

you may use your department Procurement card to make this purchase.

Personal items are not reimbursable. Travel expenses, business meals or entertainment expenses must first be paid by the employee then reimbursed (see Business Expense Reimbursement Policy).

Note: *All purchases that are classified as equipment must go through central receiving for inventory recording purposes. All items classified as equipment must have the Central Stores address as the “Ship to” address.*

Note: *Procurement Cards also eliminate the need for the “Under \$250 Purchase Order” process at the Seminary. Thus, the “Under \$250 Purchase Order” may no longer be used.*

5.2 REQUISITIONS AND PURCHASE ORDERS

NOTE: *Steps for creating and printing a Purchase Order, in addition to a sample Requisition, Purchase Order, and Receiving Report can be found in Appendix C on of this policy.*

All purchases of goods or services that are (1) above \$2,500.00 or (2) that are considered equipment, capital, or a service, must be processed through the Seminary’s accounting system and preceded by a Purchase Order (PO) provided to the vendor. The Seminary PO is a legal document containing terms and conditions specifying protections for the department, such as limits of liability and payment terms. Without this, the Seminary is subject to the vendor’s terms.

If calling in an order over the phone, you assume responsibility for such agreements at your own risk. Unless validated by a PO, the Seminary reserves the right to not pay for an order, which has been completed, approved, and accepted by the vendor.

POs are prepared and approved by the Procurement Department after a Requisition is submitted. This process provides the information and audit trail necessary to document each purchase. The PO becomes a valid contract only after being properly completed, approved, and accepted by the vendor.

Departments should allow adequate lead-time for the issuance of contracts, Pos, and the delivery of required materials or services. Lead-times vary greatly and always depend upon availability from the selected source.

New Check Request and Requisition/Purchase Order Process:

- STEP 1: Department will interoffice mail the requisition, with attached quote, to the Department of Procurement for the creation of a purchase order. *The requisition must reflect exactly what is listed on the quote. A sample quote and requisition are attached as your guide.*
- STEP 2: Department of Procurement will create the purchase order and email it to both the (1) vendor and (2) requesting department.
- STEP 3: Department receives goods/services
- STEP 4: Once the Department of Procurement receives the invoice, we will verify it for accuracy and email it to the department for approval.
- STEP 5: The department (1) fills out a Check Request Form, and (2) attaches emailed copy of purchase order and invoice (must have both), and packing slip (if applicable), and (3) sends to Procurement/Accounts Payable for payment. *The revised Check Request form is attached and can be found online under to Procurement section of the Forms tab.*

5.3 REQUEST FOR PROPOSALS (RFP)

True competition requires soliciting bids from vendors in which a comparative scope of work, terms, and conditions are achieved.

If a capital request for the purchase of a single item or service is \$10,000 or more, the Procurement Department will require that the request go through the RFP process for competitive bidding. This process may be waived by the Director of Procurement if the timing of a project is not conducive to preparing an RFP or if a particular project is considered emergency in nature.

This will be done with the aid of the Procurement Department where a formal solicitation for bids will be produced and sent to multiple vendors. The RFP may also be posted online, so that vendors may download the scopes and specifications for the specific projects in order to submit their bid. The Seminary departments should work with the Procurement Department to identify preferred vendors to which to send the RFP. The Procurement Department will also aid in identifying appropriate, reliable vendors, if needed.

Competitive bidding should be conducted according to the following schedule:

- Transactions of \$2,500 – \$10,000: Obtain three formal quotes. All obtained quotes should be forwarded with a Capital Request and Justification Form to the Procurement Department for processing. Upon approval of the Capital Request, the department will be asked to create a purchase requisition.
- Transactions greater than \$10,000: These transactions must go through a formal Request for Proposal (RFP) process. The service or product needed must be sent to the Procurement Department along with any special instructions or scope of work. In addition, the requesting department may also wish to provide a list of vendors to which the RFP will be sent. This process will be managed by the Procurement Department and all obtained bids will be examined and compared throughout a negotiation process.

Steps to Initiate the RFP Process:

1. Fill out a Capital Request and Justification Form for the proposed expenditure
2. Write a detailed summary (or scope) of the desired expenditure.
 - The Procurement Department will determine if the scope is detailed enough for the RFP.
 - In the event that a more detailed scope is required and the Seminary does not have the expertise to provide such information, the Procurement Department will contact a professional in that particular industry for this service. Any cost involved with this

process will be factored into the overall cost of the project being requested. The Seminary department making the capital request will be notified before this additional evaluation is sought.

3. Provide a list of 3 or more vendors to solicit for the RFP
 - If you do not have a list of preferred vendors, the Procurement Department will assist the department in finding appropriate and reliable sources. The Seminary department making the request will be notified of the vendors selected before the RFP is sent.
4. The Procurement Department will send the RFP to the selected vendors. Typically, the vendor will have 10 business days, from the time the RFP was sent, to respond with a bid. Please contact the Procurement Department if this time needs to be longer given the nature of the requested expenditure.

NOTE: The Seminary is not limited to selecting the lowest bidder. However, by following the RFP process, we are ensuring that competition is taking place with capital expenditures and that the Seminary is being a good steward of the funding available to us. The Procurement Department will work with the requesting department in selecting the final vendor to perform the work.

Exemptions from the RFP Process:

1. The capital expenditure being requested is part of a phased project that is already partially completed by another vendor and would not be conducive to involve additional vendors because the overall quality of the work may be affected.
2. The capital expenditure being requested is a specific type of equipment or service that only one or two vendors offer.

NOTE: In either of the above circumstances, written or email justification must be sent to the Director of Procurement to be exempt from this process.

Involving the Procurement Department early in the capital request process and/or in properly completing the necessary forms will expedite purchasing requests and assist the Seminary in maintaining its good standing with external auditors.

Awarding Business for RFP's

The Seminary's primary objective in purchasing is to attain the best value for a product or service when selecting vendors, suppliers, and contractors. Only the Purchasing Director, or her/his supervisor (Vice President for Finance or Senior Vice President for Institutional Administration) have the authority to commit the Seminary in contracting with vendors to secure goods and services.

Awards shall be made employing a combination of the following criteria:

- Degree to which the item(s) or service quoted will best fill the Seminary's requirements.
- Price, including freight, and payment terms.
- Delivery.
- Service.

Awarded business could include one-time purchases to long-term contracts. Seminary departments should examine a combination of factors to compare such as: price, quality, reliability, service, and delivery.

Contractors receiving awards of quotations will be required to sign a contract with the Seminary and furnish proof of a minimum of \$100,000 general liability insurance for purchases of services to be performed on our campus. In addition, contractors will be required to furnish evidence of worker's compensation insurance coverage. The University discourages the utilization of Contractors who cannot furnish proof of the above insurance coverage.

5.4 CHECK REQUESTS

NOTE: A Check Request form can be found in Appendix C of this policy.

Check Requests are typically used to process cash advances, honorariums, prepaid expenses, or refunds. Check Requests should not be used to pay for merchandise that has already been received on campus or to order merchandise. Occasionally, a Check Request may accompany a purchase order if the vendor demands an initial down payment. If this occurs, the department must forward the information to the Procurement Department so that they can negotiate reasonable payment terms. Otherwise, merchandise must be ordered using a procurement card or, if over \$2,500, through the requisition and purchase order process.

Checks are printed on Tuesdays and Fridays. Tuesday's checks will include the requests received in Accounts Payable by 10am Monday. Friday's checks will include the Requests received in Accounts Payable by 10am Thursday.

You should process a Check Request for:

- Conference registration fees
- Honorariums/stipends (guest lecturers, etc) a copy of letter to individual must accompany check request
- Refunds
- Cash advances on travel, etc.

Steps in the Check Request Process:

1. Please see the example in Appendix C
2. Access the Seminary intranet home page
3. Click on On-Line Forms
4. Click on Check Request – Seminary
5. Fill in the following information:
 - Vendor/individual name, ID and address
 - Explanation for the check to be issued...be as descriptive as you can
 - Social Security # is only required for honoraria payments
 - Account number(s) to be charged and the amount(s)
 - Date on which you want the check to be issued (Tuesdays and Fridays only)
 - Check the appropriate box if the check is to be mailed or picked up by student/staff at the Cashier's Window
 - Check "Yes" if there is an attachment* included that needs to be sent with the check; otherwise, check "No." **You need to make a copy of the attachment and send both the attachment and the copy with the Request*
6. Have the Department Manager sign on the line provided.
7. **You MUST staple backup paperwork to the Request.** Backup can be an invoice, email, website printout, brochure, etc.---as long as it shows where the total amount came from and what items/services we are paying for. Please call ext.4395 if this is not possible.
8. Send the Check Request, backup, and any attachments (with copies) to Accounts Payable.

5.5 STANDING PURCHASE ORDERS

NOTE: A sample Standing Purchase Order can be found in Appendix C of this policy.

Standing Purchase Orders (SPO) are used when there are expected to be numerous or routine purchases made by a department to a particular vendor, and the purchase is not eligible to be put on the procurement card.

SPO's are to be used only in specific, targeted circumstances. Vendors in good standing and who consistently offer good pricing may be issued a standing purchase order.

An SPO is normally issued at the beginning of a fiscal year, and the same purchase order number is used throughout the year by the department and vendor. This eliminates the need for a purchase requisition form to be completed. (SPO's may not be used to make personal purchases).

Large orders may not be split on two or more invoices (otherwise known as split orders) in order to keep to the total under the SPO limit.

The SPO may be used only by the individual(s) authorized on the purchase order. The dollar amount of the SPO may vary up to \$2,500 at the discretion of the Director of Procurement.

Steps in the SPO Process:

1. Have the department manager email the following to purchasing@sbts.edu :
 - Vendor Name and ID#
 - Single Purchase Dollar Limit – normally not to exceed \$2,500
 - Description of Supplies/Services (ex: refreshments and/or food for meeting, vehicle maintenance, etc.)
 - The SPO will include an authorized spending limit in one of the following ways:
 - Not to exceed daily amount
 - Not to exceed annual amount
 The Procurement Department will determine which amount is most appropriate for the vendor in question
2. Purchasing will send a copy of the approved SPO to the requesting department and the vendor; normally within 5 business days of receipt of the e-mail request
3. Once the department receives a copy, they may place orders over the phone or in person
4. When Accounts Payable receives the invoice, they will mail it to the department through campus mail
5. If all goods were received by the department, they will write the appropriate account number on the invoice and have it signed by the department manager indicating that the invoice has been approved for payment
6. The department will send the approved invoice back to Accounts Payable to be paid

Failure to return approved invoices to Accounts Payable in a timely manner may result in lost discounts and harm the Seminary's credit standing.

In the event that you feel a vendor has not successfully met, the terms and conditions of the purchase order and consequently you do not feel payment should be made, notify the Director of Procurement immediately in writing of the details.

5.6 SUMMARY OF PURCHASING PROCEDURE OPTIONS

OPTION 1: **\$2,500 or Less – Use ProCard Card**

If the item you wish to purchase is under \$2,500 and is:

- NOT Personal
- NOT Travel related (conference registration fees are allowed)
- NOT a Business meal or Entertainment related (goes through Business Expense Report)
- NOT Equipment (desks, furniture, chairs, computers and computer equipment etc.)
- NOT Capitalized
- NOT a Service (repair, consulting, moving, etc)

You may use your department Procurement card to make this purchase.

*Personal items are not reimbursable.

*Travel, business meals, or entertainment expenses must first be paid by the employee, then reimbursed.

OPTION 2: **\$2,500 – \$10,000 Requisition and Purchase Order Process**

If the item is over \$2,500 or an unallowable ProCard purchase, then the department must go through the requisition/purchase order process.

If the item is to be capitalized and/or is considered to be equipment, you must submit a capital request first, before going through the requisition process.

Also:

- If the item is over \$2,500 you must submit 3 quotes from alternative vendors
- If the item is over \$10,000, see Option 3

OPTION 3: **\$10,000 or More - Request for Proposal (RFP)**

If an item's cost is \$10,000 or more, the Office of Procurement will require that an RFP be prepared and submitted to several vendors for competitive bidding. Please contact the Procurement Assistant for details on initiating the RFP process.

If none of the above options situations apply, submit a Check Request form.

OPTION 4: **Check Requests**

Complete and submit a Check Request for payment for:

- Conference Registration
- Honorariums (Guest lecturers, etc.)
- Refunds
- Cash advances on travel, etc.

5.7 PURCHASING FROM NEW VENDORS

As Seminary departments enter requisitions for various goods and services, periodically the requesting department will not find a particular vendor set up in Jenzabar. This would indicate that the Seminary has not conducted business with that particular vendor. You will need to establish the new vendor an identification (ID) number in Jenzabar in order to complete the requisition.

If this is the case, perform the following tasks to initiate a new vendor ID:

1. Close the requisition
2. Send the following information via e-mail to Accounts Payable at accountspayable@sbts.edu :

Company

- Name of Company
- Contact Person
- Address (physical or P.O. Box)
- Phone number
- Fax number
- Federal Tax ID number

Individual

- Name (Last, MI, First)
- Address (physical or P.O. Box)
- Phone number
- Fax number
- Social Security number

Once Accounts Payable has received and keyed this information, you will receive e-mail notification of the new ID number for the requisition you wish to enter.

5.8 PETTY CASH

Petty cash funds will no longer exist within Seminary departments due to the implementation of procurement cards. All office supplies not purchased through Office Max should be charged to the department's procurement card. In addition, business meals and all travel related expenses should be paid for by the individual and reimbursed by submitting a Business Expense Reimbursement Form.

5.9 STOCKROOM REQUISITIONS

See the *Central Stores and Central Receiving* section of this policy

6. CONSULTANTS AND INDEPENDENT CONTRACTORS

NOTE: The Independent Contractor/Consultant Agreement form can be found in Appendix D of this policy.

PURPOSE

The primary purpose of this policy and procedure statement is to guide the Seminary in three areas: (1) To properly classify employees, consultants and independent contractors; (2) To properly establish, maintain and execute consulting arrangements with non-Seminary individuals/organizations; (3) To properly establish and execute intra-institutional consulting arrangements.

All Seminary policies and procedure guides inconsistent with the policy and procedures contained herein are hereby rescinded.

DEFINITIONS

An individual is considered an employee when the department or unit for which services are performed has the authority to control and direct the individual who performs the services. This includes the results to be accomplished as well as the details and means by which they are to be accomplished. The employer does not have to actually direct the manner in which the services are provided; having the right to do so is sufficient (Treasury Reg. Section 31.3401(c)-1 (b)). Employee status is also characterized by the furnishing of equipment or supplies, providing a place to work, and having authority to discharge (Treasury Reg. Section 31.3121(d)-1(c)). Regularity, continuity and exclusivity also help to determine whether the relationship is that of an independent contractor or employee.

The IRS defines an independent contractor or consultant as someone who gives professional advice or services. Generally, they are individuals who are in business for themselves, offer their services to the public, and have an investment in facilities. An independent contractor may be subject to the control or direction of another individual with respect to work objectives, but not with respect to the means and methods for accomplishing these objectives (Treasury Reg. Section 31.3121(d)-1(c)).

Internal Revenue Code Section 3121(c) states that if 50% or more of the services performed by an individual during any pay period are services performed as an employee, then all funds for services must be treated as employee compensation, regardless of the type of services performed. It is also the position of the IRS that if two individuals have the same job description and one is considered an employee, then both are classified as employees. Typically, the IRS leans heavily toward the classification of an individual as an employee rather than as an independent contractor.

DISTINGUISHING BETWEEN EMPLOYEES AND INDEPENDENT CONTRACTORS

It is the Seminary's policy that an individual may not act both as an employee and an independent contractor for the institution.

Revenue Ruling 87-41 has identified twenty common-law factors to aid in determining whether or not an employer/employee relationship exists for a particular individual. These factors are identified below. The importance of each factor varies depending on the occupation and the context in which the services are performed.

A worker will generally be deemed an employee if he/she:

1. Must comply with an employer's instructions about the work.
2. Received training from or at the direction of the employer.
3. Provides services that are integrated into the business.
4. Provides services that must be rendered personally.
5. Hires, supervises and pays assistants who are employees of the employer. (An independent contractor determines whether to hire his/her own assistants and if so, whom to hire.)
6. Has a continuing relationship with the employer.
7. Must follow set hours of work.
8. Works full-time for an employer.
9. Does the work on the employer's premises.
10. Must work in a sequence set by the employer.
11. Must submit regular reports to the employer. (Reports usually indicate employee status.)
12. Receives payments of regular amounts at set intervals. (For an independent contractor, the payment is usually by the job.)
13. Receives payments for business or traveling expenses.
14. Relies on the employer to furnish tools and materials.
15. Lacks a major investment in facilities used to perform the service.
16. Cannot make a profit or suffer a loss from the services.
17. Works for one employer at a time.
18. Does not offer services to the general public.
19. Can be fired by the employer. (Generally, independent contractors cannot be fired as long as they live up to their contractual obligations.)
20. May quit work at any time without incurring liability. (According to the IRS, independent contractors are contractually bound to complete the specific job.)

To simplify the decision making process, the Seminary has developed a Classification Checklist to aid departments/units in making the proper determination. This checklist must be completed prior to the individual performing any services for the Seminary and included with the Independent Consultant / Contractor Agreement.

In the event that the Department of Procurement determines the individual to be an employee, a copy of the checklist will be forwarded back to the department for initiation of the appropriate employment paperwork.

PROCEDURE FOR SECURING INDEPENDENT CONTRACTOR / CONSULTANT SERVICES

1. Fill out the Classification Checklist and Independent Contractor / Consultant Agreement and forward to the Procurement Department for pre-approval.
2. Procurement Department will notify user department when services/agreement is approved. For payment, the Contractor / Consultant should submit an invoice to the Seminary.
3. Procurement Department will date stamp and forward the invoice to the initiating department.
4. Initiating Department will sign invoice (if approving if for payment) and send the signed invoice along with a check request to Accounts Payable for payment.

SPECIAL SERVICES EXEMPT FROM THIS PROCESS

Refer to the section above for procedures on distinguishing between employees and independent contractors prior to following the instructions outlined in this section.

There are certain types of services that do not require the use of a formal consulting agreement. For non-Seminary employees, these services may be procured and paid for by submitting a Check Request and/or Business Expense Report. The following services may be transacted in this manner:

- Guest Speakers
- Travel expenses incurred by members to attend Board of Trustees meetings
- Outside catering fees
- Applicants for Seminary employment (reimbursement for actual travel expenses only)
- Accounting, appraisal, legal, and other professional services

7. PURCHASING / PROCUREMENT CARD POLICY WAIVERS

The Seminary expects its employees and officers to adhere closely to the purchasing and procurement card policies set forth herein.

If a Seminary employee obtains goods or services outside of policy guidelines, or enters into a contract or agreement with a vendor for a service, that employee will be required to submit a policy waiver form (found in Appendix E of this policy) documenting the purpose and nature of the purchase/agreement. When an employee submits a policy waiver, he/she is acknowledging that the purchase in question was outside of Seminary policy and that they have reviewed the policy concerning the purchase in questions and understand the guidelines set forth. This waiver will be viewed by the Department of Procurement for approval. If the purchase/agreement represents a significant expenditure, the request will then be forwarded to the Vice President of Finance for an additional approval.

Consequences for violating of the Seminary's purchasing and procurement card policies can include suspension and/or cancellation of one's department procurement card or have one's signature approval authority within the department revoked, depending on the severity and/or consistency of such violations.

8. OFFICE SUPPLIES

8.1 OFFICE SUPPLIES CONTRACT

The Seminary currently has a contract with OfficeMax through which we purchase most all office supplies. Ordering supplies through Office Max requires that an employee have a login setup to access the website. Departments should have a designated Seminary employee who orders their office supplies from OfficeMax.

8.2 OBTAINING A LOGIN

In the event that a Seminary employee is replaced, the new Seminary employee will need to email centralstores@sbts.edu the following:

- Employee Name
- Title and Department
- SBTS Email
- Office Phone Number
- Approver and Approver's SBTS Email

OfficeMax will send you an email with your login and password when established.

Use your assigned OfficeMax login at www.officemax.com to order supplies online. Please make an effort to consolidate all orders under \$50 in order to waive shipping costs for the Seminary.

8.3 OFFICE MAX PURCHASING DO'S AND DON'T'S

IMPORTANT ! Do NOT order furniture items (desks, chairs, file cabinets, chair mats, etc.), computer equipment, or audio-visual equipment from the OfficeMax catalog. Instead, please call Central Stores (ext.4397) for further directions.

Examples of approved supplies are below:

- pens, pencils, markers
- paperclips, rubber bands, tape
- staples and staplers
- post-it notes
- binders
- file folders and labels
- calendars
- rubber stamps
- paper (8.5 x 11, 11 x 17, etc)
- copy paper
- colored paper
- diskettes, CD-R, CD-RW, etc.
- ink cartridges
- correction fluid
- cork boards, dry erase boards, etc.
- calculators

Examples of prohibited purchases:

- stationary with the Seminary logo (letterhead, paper, envelope, folder, project cover, etc.)
- inter-Campus delivery envelopes
- facial tissue
- cash delivery forms

- campus maps
- mailing labels
- nametags
- furniture, chairs, filing cabinets, chair mats
- computer equipment or audio visual equipment

8.4 PAYMENT FOR SUPPLIES

When an OfficeMax order is received (and all items accounted for) please sign the Packing List and scan to email or use interoffice mail to send it to Accounts Payable. If OfficeMax fails to include a Packing List with the order, please print the order confirmation or online history page and scan to email or use interoffice mail to send it to Accounts Payable. Taking one of the above actions serves as approval for payment and will save time for both your office and ours!

9. CAPITAL & CONTINGENCY EXPENDITURE REQUEST AND JUSTIFICATION

NOTE: The Capital Expenditure Request and Justification Form, Instruction Sheet, Emergency Request Form, and the Project Completion Report can be found in Appendix F of this policy.

Occasionally purchases are necessary which require significant capital outlays for procurement. If these purchases meet the capital expenditure qualification criteria, they are subject to a distinct approval and tracking process.

Normally, purchases or projects that require significant capital outlay should be budgeted for and included in the annual request which takes place during the spring of each year – for the upcoming fiscal year. Once these request are submitted, they will be subject to Trustee approval. Once projects have been accepted and have obtained Trustee approval, the department will need to fill out the appropriate capital request forms as listed in this policy to initiate the project. In the event a particular purchase is needed which was not budgeted for, or if a piece of equipment breaks or fails, the department will need to fill out the appropriate paperwork as described below to initiate this process.

9.1 QUALIFICATION FOR CAPITAL EXPENDITURE

All three criteria must be met.

- Greater than \$2,000 - including installation, training and shipping costs, except computer and furniture purchases which require capital expenditure funding when in excess of \$150, and either:
 - It is incurred for the purchase or construction of equipment, buildings, building service equipment and systems, land, land improvements, and additions, alterations, renovations, or improvements; or
 - It is for an item which is a part of a larger inventory of equipment which aggregate value exceeds \$2,000 (examples include desks, chairs, pictures, and other furniture and furnishings as agreed upon by the Director of Accounting and the Director of Procurement); and
- Greater than 3 year life - excluding consumable goods; and
- Tangible asset - excluding service agreements.

9.2 TYPES OF REQUESTS

Annual Requests submitted during the annual budget request process will be reviewed and submitted for Trustee approval at the spring meeting based upon need and available funding. Departments will be notified in an email notification of approvals/disapprovals and the corresponding action necessary to resolve the request.

Emergency/Contingency Requests should be rare. Budget Managers are expected to anticipate needs for their departments prior to the annual budget approval process. Future capital needs should be planned for and incorporated during the annual budget request. Any request submitted outside the annual budget request should be classified as emergency/contingency.

For Emergency Repairs, an Emergency Request Form must be submitted to the Procurement Director prior to initiating the work so that Institutional Administration is aware of the incident. Also, the phrase “confirming order” should be listed on the requisition. Emergency purchase orders should be kept to a minimum. The department will be responsible for explaining why the purchase is an emergency.

9.3 ROUTING AND APPROVAL PROCESS

Send Capital or Contingency Expenditure Request and Justification Form, signed by department head, along with all supporting documentation to Office of Procurement, Sampey 4103.

9.4 PROJECT COMPLETION REPORT

Once a Capital Project has been complete and there are no outstanding invoices, the supervisor or the project will be asked to complete a Project Completion Report to certify that the project was successfully completed and that the Procurement and Accounting Departments may officially close the project. Any additional invoices submitted after this report has been completed may result in having those additional expenses taken out of the respective department's annual operating budget.

10. GENERAL POLICY ISSUES

10.1 CREDIT CARDS, CHARGE ACCOUNTS, & DIRECT BILLING

IMPORTANT ! Only authorized Seminary personnel may negotiate or set up credit agreements with vendors.

Seminary departments are not authorized to establish credit cards, charge accounts, or direct billing accounts with vendors in the name of Southern Seminary. Departments are not authorized to accept offers for credit cards, charge accounts, or hold accounts from vendors who increasingly send such advertisements to departments.

Seminary departments should conduct ALL business with vendors using:

- Procurement cards
- Purchase orders and/or standing purchase orders
- Request for proposals
- Check Requests

Departments should not do business with vendors who will not accept the Seminary purchase order (assuming the purchase is not eligible to put on the procurement card) as this violates Seminary policy and exposes the Seminary to unnecessary liability.

Such requests should be routed to the Procurement Department who, in limited instances, will authorize departments to arrange billing with a vendor through the completion of a credit application. This generally occurs only if the vendor will not accept purchase orders from the Seminary.

All direct billing or house accounts with any vendors must be authorized and set up by the Procurement Department prior to any orders or purchases.

Accounts Payable will not authorize payment based on account statements from vendors.

10.2 AUTHORIZED PURCHASERS

In general, departments are allowed to make purchases on their procurement card as long as the item/s being purchase fall within the procurement card policy. However, for items that require a PO, such as (1) purchases with dollar amounts over \$2,500, (2) equipment, (3) capitalized items – only the Procurement Department can authorized such expenditures.

If any individual contracts with a vendor without first obtaining a purchase order via the Purchasing Department (before the ordering, not after), the Seminary may notify the vendor that it was an unauthorized purchase and the vendor will be instructed to contact the individual, who contracted with the vendor outside of the guidelines established, for payment.

10.3 PROPRIETARY PURCHASES

Instances where proprietary purchases are applicable include the following:

- When property or services can be obtained only from one person or firm.
- When the procurement is for electric power, gas, water or other utility services where it would not be practical to allow a contractor other than the utility company itself to work upon the system.
- When the procurement is for technical services in connection with assembly, installation or servicing of equipment of a highly technical or specialized nature.
- When the procurement is for parts or components to be used as replacements in support of equipment specifically designed by the manufacturer.

- When the procurement involves construction where a contractor is already at work on the site and it would not be practical to engage another contractor.

Final responsibility in determining whether an item is a proprietary item and may be purchased from a sole source rests with the Purchasing Department.

10.4 ACCOUNT NUMBERS

Each department is assigned an account number or numbers by the Accounting Office. All purchase requisitions must carry the complete account number of the account to be charged.

The area head responsible for the associated budget for each account number must approve the purchase requisition unless delegated to someone else. The delegation must be submitted to the Procurement Department in written form.

The Controller is responsible for authorizing on-line budget review privileges.

10.5 COMPUTER AND COMPUTER/TECHNOLOGY RELATED PURCHASES

All computer and computer/technology related purchases must go through the Department of Information Departments. If a department has a technology related need, they should first contact the IT Department for the request. The IT Department will work with the user department to help determine the need and the best solution to fit the Seminary's needs. If the IT Department determines a particular product needs to be ordered, they will provide the user department with a quote and specification for that particular product. At this point, the user department will fill out a Capital Request (located on page ____) and attach the quote provided by the IT Department. The Procurement Department will then assess the request and funding available at that particular time.

10.6 PREPAID & PARTIAL PAYMENT PURCHASE ORDERS

The Seminary strongly discourages the use of vendors who require pre-payments for goods and/or services. By offering pre-payments for goods and/or services, the Seminary assumes additional risk of loss if these goods/services are not received as ordered, or in unsatisfactory condition.

Occasionally, a vendor refuses to accept a Seminary purchase order without full or partial payment in advance. In order for a pre-payment to be considered, contact the Procurement Department, with the following information:

- A requisition to the vendor
- A check request explaining the reason for pre-payment and why this vendor is preferred over others
- Detailed quote from the vendor verifying (1) price, and (2) stated payment terms

Documentation verifying the prices, such as a quotation from the vendor, price list, vendor order form, or invoice, must be provided. This documentation must also include evidence of the vendor's demand for pre-payment.

10.7 ORDERING FROM ONLINE VENDOR SITES

See Procurement Card Policy

10.8 PURCHASING GOODS THROUGH AUCTIONS

See Procurement Card Policy

10.9 PERSONAL PURCHASES

Seminary funds must not be used for the purchase of personal goods or services for Seminary employees. Vendors may offer Seminary employees personal discounts through programs available to all Seminary employees. Suppliers are under no obligation to do so and they should understand that such an offer places the Seminary under no obligation to do business with them except within strict business practices.

Personal purchases are allowed from OfficeMax; however, a universal login and password must be used when placing personal orders (Login: sbtsemployee, Password: sbts2). A personal credit card will be required for purchases made on this site, and you will be charged Kentucky state sales tax. (Pricing on both sites is the same.) The charge will appear on your monthly credit card statement, rather than the Seminary's OfficeMax statement.

If you have any question concerning personal purchases, contact the Procurement Department

10.10 BUY VERSES LEASE

Capital equipment is generally acquired by outright purchase. Circumstances may require the leasing of equipment to satisfy specific needs. The Director of Procurement must determine the economic benefits of leasing versus buying before entering into any lease agreement.

Third party leases are discouraged. Departments should consult with the Controller and their school administrator to determine if equipment could be financed internally at a lower cost. If it cannot be internally financed, departments should then consult with the Procurement Department.

If leasing is determined to be the preferred method of acquisition, care should be taken to provide contract protection for the Seminary regarding guarantees, assignments, buy-out clauses, escalation clauses, taxes, and other items.

If sponsored project funds are involved in the acquisition of the equipment, it must first be determined that the source of funding allows for leasing. The Seminary determines the qualified leasing vendors who will provide services to the Seminary, and reserves the right to finance internally any such leases.

Leasing may be advantageous if the total cost of a lease for the period of the equipment's life or the technological life is less than the purchase price. The total cost of the lease must be compared to the total cost of the purchase, taking into account such factors as equipment costs, maintenance costs, interest, and insurance.

10.11 PAYMENTS FOR PURCHASES

A purchase transaction is complete only after the goods or services have been received and the supplier has been paid. When the department creates a purchase order, or otherwise enters into a contract, it assumes the responsibility to include payment approval within an agreed-upon time frame. By issuing a purchase order through the Seminary's financial system in advance of the purchase, budgeted funds are encumbered to pay for the purchase. Accounts Payable pays Seminary commitments including Seminary employee business travel and purchases of goods or services from external vendors.

10.12 PAYMENT TERMS AND PENALTIES

Every vendor invoice is due for payment within a stated period after it is generated. This is normally computed as a number of days after the invoice date. The Seminary's standard for payment of vendor invoices is within thirty days of the invoice date. This is referred to as payment

terms of "Net 30." The Seminary must pay its obligations in a timely manner. Failure to comply with payment terms often leads to:

- Credit hold, where a vendor refuses to fill any subsequent orders until the outstanding obligation has been paid.
- Harsher terms, where a vendor charges a late payment penalty or even demands payment in advance.
- Higher prices on future purchases.

A vendor may impose one or more of the above actions on the entire Seminary even if the object of dispute involves only one department within the Seminary. Accounts Payable does what is necessary to prevent any of the above from happening while acting within sound financial controls. Departments must ensure that purchases are properly accounted for in the Seminary's financial system to enable the invoice to be paid once it is received in Accounts Payable.

10.13 TIMELINESS IN REPORTING EXPENSES

All Seminary expenditures and costs must be charged to their proper source of funds within 30 days of their occurrence in order to be posted. In addition, all requests for expense and travel reimbursement must be submitted for payment processing no later than 30 days after the completion of the event. This helps to ensure that the Seminary has accurate and update-to-date information when compiling financial reports for budget managers and offices in Institutional Administration.

10.14 PAYMENT PROCESSING

All invoices must be sent directly to Accounts Payable from the vendor. Invoices sent to departments other than Accounts Payable risk late payments, potentially jeopardizing the Seminary's credit relationships. Departments will be contacted if documentation is insufficient for payment. Department managers or the corresponding Vice-President will be contacted if lack of documentation occurs on a repeated basis.

Payments processed through the Seminary's financial system must match invoices submitted to Accounts Payable by the departments. In addition, these invoices must match the purchase order and receiving reports. The procedure, referred to as three-way match, is to match the three components of each purchasing transaction. Specifically, the correctly completed and approved purchase order should match the vendor's invoice, which is entered by Accounts Payable into the Seminary's financial system as an invoice document.

The ordering department, as a confirmation of receipt of goods or services, should sign and include an account number on the gold copy of the purchase order and sign the invoice then return to the Procurement Department for final matching and payment.

Invoices received by Accounts Payable for Standing Purchase Orders will be sent to the ordering department the same day they are received. In order to insure prompt payment, the ordering department should sign and return the invoice copy to Accounts Payable for processing as soon as possible.

10.15 SHIPPING & HANDLING CHARGES & GOODS IN TRANSIT

The Seminary Purchase Order states that all orders should be Free On Board Destination (F.O.B.-Destination) at the department address. F.O.B.-Destination means legal delivery of the goods occurs when the shipment reaches the buyer, and therefore, the seller is responsible for shipping. Invoices should reflect total cost, insurance, and freight. These may be totaled or shown as separate line items. If a vendor requires F.O.B.-Shipping Point, legal ownership transfers to the Seminary when the goods leave a vendor's warehouse. As such, please ensure that there is

adequate insurance coverage prior to shipment. For equipment that costs over \$100,000, notify the Department of Security and Risk Management.

10.16 CUSTOMS

Imported goods are subject to the rules and regulations of U.S. Customs and may require special forms to be completed for entry. These forms should be submitted before the goods arrive in the United States.

10.17 CREDIT MEMOS

Along with purchasing and payment activity, there is also credit activity. Credit memos result from defective or returned goods, discounts, or incorrect invoice payments. The Seminary's financial system allows for these vendor credits to be applied to other open invoices from that same vendor. Typically, the Seminary will do one of the following if a credit memo is received:

Apply the credit memo to an open invoice from that same vendor

Call to vendor and have them issue a check to the Seminary for the amount of the credit (this is done if the seminary does not conduct frequently conduct business with the vendor issuing the credit).

Unlike invoices, the application of credits is not simply a matter of verifying the facts on the memo and confirming that the subject goods or services have been rejected. Specific business and accounting questions may need to be resolved with the vendor before the credit is applied. This is important due to the fact, improperly applied credits are difficult to correct.

If a department believes it is entitled to a credit from a vendor or receives a credit memorandum that is deemed valid, the department should contact Accounts Payable for assistance, and send all credit memos there for processing.

10.18 TRAVEL

Refer to the Business Expense Reimbursement Policy from the Accounting Department

11. CENTRAL STORES & RECEIVING

11.1 CENTRAL STORES

Central Stores warehouse is maintained by the Procurement Department for stocking certain office supplies. Catalogs are available from either the Seminary Intranet, or Central Stores listing all merchandise stocked. To order from the catalog, submit a completed Stockroom Requisition to Central Stores. Items available through Central Stores may not be purchased from any outside vendor.

The following items should **always** be ordered from Central Stores:

- any stationery item with the Seminary logo (letterhead, paper, envelope, folder, project cover, etc.)
- inter-office delivery envelopes
- facial tissue
- cash delivery forms
- campus maps
- mailing labels
- nametags
- any Seminary publication (catalogs, view books, Tie magazines, etc.)

11.2 STOCKROOM REQUISITONS

A Stockroom Requisition is a request for items stocked on-campus at Central Stores. Please allow 2 business days for delivery. If you are unsure if a particular item stocked at central stores, you may call the warehouse at ext. 4397 for more information.

Steps in Creating a Stockroom Requisition:

1. Please see the example in Appendix G of this policy
2. Login to Jenzabar EX
3. Click on your department module on the left side (if you don't have one, try Common)
4. Click the Tasklist Menu, Click Open
5. Double-click your department, Double-click Requisitions
6. Click New at the bottom left corner.
7. Under the Header Tab, fill in the following information:
 - Requestor ID (your ID#...for some this is your SSN#)
 - Vendor ID – 176000
 - Requisition Text (Use this if you need to provide a small message for Central Stores, ex: "Call before delivery." Please include an extension number, room number, and any other pertinent information in this field.)
 - Account number* (enter "00" at the end if there is not a 5th component)
***Only one account number per Requisition!**
 - Delivery Deadline (This is not required, but if needed you can enter the delivery deadline in the Requisition Text field.)
 - No other fields are required.
8. Click the Save icon, then click the Detail Tab (only enter information in the gray box--- NEVER THE YELLOW).
9. Fill in only the following information:
 - Quantity
 - Inv Code (Scroll down to select the desired item from the pull-down menu. All other pertinent information will be filled in automatically once you tab to a new field. Please call ext. 4397 if you encounter any problems.)
10. Uncheck the "OK To Group" box.
11. If you wish to order more than one item, right-click in the gray area at the bottom, click Add Row, and enter in the desired item using the same process in Steps 9-10.

12. Click the Header Tab and write down the Group Number.
13. Click the Save Icon, and then close out of the Detail box.

Steps in Printing a Stockroom Requisition:

1. Click Print Requisitions from the window still open on your screen.
2. Click the Printer Icon that says Central Stores or Stockroom.
3. The Specify Retrieval Arguments box will appear. Type "n" as the Value 1. Then enter the Group Number you recorded earlier as Value 2.
4. Click OK
5. A preview will appear; select the Print Icon at the top.
6. Have the Department Manager sign in the blank space at the bottom.
7. Send to Central Stores.

11.3 CENTRAL RECEIVING

All items orders by seminary departments, which are classified as equipment, must be shipped to central stores. When a seminary department issues a requisition for equipment, the ship to address must be:

Central Stores
The Southern Baptist Theological Seminary
2841 Seminary Road
Louisville, KY 40280

This is to help ensure that effective and efficient property control take place at the seminary. Once the piece of equipment is entered into a tracking system and bar coded, Central Stores will contact the seminary department for a scheduled delivery.

All other items not classified as equipment may be delivered to the individual departments.

Example of Items Considered Equipment:

- any furniture, chairs, desks, bookcases, etc.
- desktop or laptop computers
- printers, servers, external hard drive, projectors, etc.
- machinery, power tools, air compressors (electric or gas-powered)
- vehicles and atv's
- camera's, radios, and televisions
- all appliances
- typewriters

11.4 INCORRECT OR DAMAGED GOODS RECEIVED

If a shipment is received with incorrect or damaged goods save the packing material and the packing slip or shipping ticket. These may be needed if the items have to be returned to or exchanged with the vendor.

Notify the vendor immediately in writing so that appropriate action may be taken such as issuing credit or providing a replacement. If the order has to be shipped back to the vendor, it should be packed in the original cartons. The vendor's return instructions should be followed as to shipping and authorizations.

The Procurement Department may be contacted to help settle any disputes or to negotiate any settlements.

11.5 PROPERTY DISPOSAL

All obsolete, surplus, and discarded or unused equipment and materials should be reported to the Supervisor of Central Stores by the department head responsible for their use and protection. The Supervisor of Central Stores will be responsible for the transfer of these items to Central Stores and to decide which equipment and/or materials are to be declared surplus and which ones are to be retained for reuse.

If an item is to be retained for possible reuse, it will be held in Central Stores. A current list of used items will be available from the Supervisor of Central Stores.

In addition, if an item is declared surplus, the Supervisor of Central Stores will establish favorable prices and attempt to dispose of the equipment or materials in the following order:

- Return to suppliers for refund, or trade on the purchase of new equipment.
- Make available to Seminary employees and students within the Seminary through scheduled advertised sales. At no time will any merchandise be made available to anyone outside of the prearranged sale times.
- Make available to sources outside the Seminary including:
 - Baptist affiliated groups.
 - Other non-profit or charitable organizations.
 - The general public.
 - Used furniture and equipment dealers.
 - Scrap dealers.

All proceeds from the sale of such items will be deposited in the Plant fund.

12. FREQUENTLY ASKED QUESTIONS

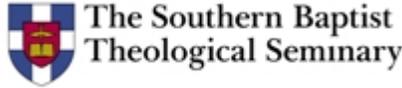
QUESTION	ANSWER
Where do I go to find out information on Procurement policies and guidelines, as well as forms?	Go to MySouthern and click on the procurement tab. From there you will be able to view all of our policies and procedures to guide you in your purchasing efforts. You can download appropriate form here. For further assistance, please call us at ext. 4722.
Why should I utilize the Purchasing Department; after all, who knows better than I do what goods or services I need?	The Purchasing Department is not here to dictate your needs. As the user of the products or services, only you can understand what works best for you. However, one of our most important responsibilities is to help you obtain the best product at the lowest price. We desire to be good stewards of the resources provided by those who support and fund the Seminary and its mission.
Where can I get purchase exemption certificate?	Call Accounts Payable x.4395 and provide vendor name, address, and description of property to be purchased.
What is the Seminary's Federal ID #?	61-0500919
What is the Seminary's Tax Exemption Certificate #?	F-262 (Kentucky)
Who do I call when I have a question regarding purchasing an item?	Call Purchasing x.4722
What's the difference between a regular and a standing purchase order (PO)?	A regular PO is used for a one-time purchase, while a standing PO is used when there are going to be numerous or routine purchases made by a department to a particular vendor. A standing PO is established for a specified period of time, usually one fiscal year.
How do I request a standing PO?	Ask the department manager to email the following to purchasing@sbts.edu: vendor name and ID#, dollar limit (typically not to exceed \$2500), and description of supplies/services.
What are the Seminary's purchasing terms?	Generally, the Seminary requests a 30-day billing cycle (Net 30) or a standard discount (2%, Net 10). However, when given advanced notice, we can accommodate other terms when necessary.
What's the difference between capital and contingency requests?	Capital requests are planned requests normally submitted in conjunction with the annual budget development process in the November - January time frame, while contingency requests are submitted on an as-needed basis for items that qualify as unexpected needs (ex: something broke).
What if I need a new Vendor ID created in Jenzabar for an individual?	Email the following to accountspayable@sbts.edu: full name, gender, complete address, phone/fax number(s), and social security number.
What if I need a new Vendor ID created in Jenzabar for a company?	Email the following to accountspayable@sbts.edu: company name, complete address, phone/fax number(s), and federal ID number (also known as FEIN or TIN).
How do I order office supplies?	If ordering for the first time, please email the following to centralstores@sbts.edu: employee name, title and department, SBTS email, office phone number, approver, and approver's SBTS email. Use your established login at www.officemax.com. ***NOTE: Call x.4397 regarding strict guidelines on what can and cannot be ordered from OfficeMax.
Can I place a personal order on the OfficeMax website?	Yes. The login for placing personal orders is sbtsemployee. The password is sbts2. A personal credit card will be required, and you will be charged KY state sales tax.

How do I return an OfficeMax order?	Login to the website as usual. Click "Request an Order Return" on the left side. Follow instructions.
What if my OfficeMax shipment was incorrect?	Login to the website as usual. Click "Live Online Assistance" in the top right corner. Type your issue when prompted. Follow instructions.
Does the Seminary have a preferred rental car company?	For rentals in Louisville: The Seminary has direct billing accounts with both Enterprise and Thrifty. Please email accountspayable@sbts.edu to get the account numbers. For rentals outside of Louisville: The Seminary does not have direct billing; however, please contact Accounts Payable x.4395 to receive discount vouchers for Hertz.
Why do we bid?	The purpose for bidding is to guarantee that the Seminary always receives the best prices for quality goods and/or services. Allowing vendors to compete in an unbiased and open setting assures that we receive the best possible value.
How long does it take to get a PO after submitting a Requisition?	Please allow 3 business days for Purchasing to issue a PO.
Where do I create a Requisition?	Most secretaries will find a Requisitions option located on their Tasklist Menu in Jenzabar. For detailed instructions, see Section D of "Introduction to Purchasing, AP, & Central Stores Processes" located on mySouthern under Training --- Manuals.
Who needs to approve a Requisition?	The Department Manager must sign the Requisition in the blank space at the bottom.
When will my check print?	Checks are printed on Tuesdays and Fridays. Tuesday's checks will include the requests received by 10am Monday. Friday's checks will include the requests received by 10am Thursday.
How do I know if an invoice has been paid?	Email accountspayable@sbts.edu with the vendor name and invoice number in question.
What if I have a question that is not listed on here?	If in doubt about a process, please request clarification in order to prevent extra work for both of our offices. See phone chart on the next page.

13. QUICK START GUIDE

IF YOU HAVE...	THEN YOU NEED TO...	AND...
A need for OfficeMax web ordering	See Section 9 "Office Supplies" on page 21 of this manual	Email the requested information to centralstores@sbts.edu
A need for business cards or nametags	Complete "Business Card/Nametag Order" located on mySouthern under Public Relations--Forms	Forward to Public Relations for processing
A need for desk/doorplates	Complete "Name Plate Order" located on mySouthern under Forms --- Procurement	Forward to Procurement for processing
A need for employee notepads	Complete "NotePad Order" located on mySouthern under 5th & Broadway --- Forms	Forward to the Copy Center for processing
A package that needs to be shipped	Visit 5th & Broadway in Honeycutt	
A question regarding budgets	Contact Accounting x.4044	
A question regarding cell phones	Contact Procurement x.4722	
A question regarding copies or copiers	Contact the Copy Center x.4214	
A question regarding payroll	Contact Payroll x.4132	
A question regarding receiving of shipments	Contact Central Stores x.4397	
A question regarding stockroom requisitions	Contact Central Stores x.4397	
A questions regarding account access	Contact Accounting x.4132	
A question regarding student accounts	Contact Accounting x.4128	
A question regarding travel	Contact Accounts Payable x.4395	
A question regarding used/new furniture	Contact Central Stores x.4397	
A question regarding vendors	Contact Accounts Payable x.4395	
A question regarding invoice payment	Email accountspayable@sbts.edu with the vendor name and invoice number in question	
A question that is not listed on here	Please see "Frequently Asked Questions"	

***For further assistance, please call x.4722 or email purchasing@sbts.edu**



Sample Signature Authority Form

Before budgeted and personnel transactions are processed, a record of the signatures of those authorized to approve such business transactions must be provided to Institutional Administration. Departments can delegate signature authority for following transactions (please check all you wish to apply).

- Requisitions
- Payroll
- Business expense reports Specify dollar limit: \$ _____
- Invoice approval Specify dollar limit: \$ _____
- Journal entries
- PAFs (Personnel Action Form)

Such delegations will be kept on file by the Procurement Department, reviewed periodically, and cancelled upon request by departments. In addition, these records will also be available for electronic viewing for departments within Institutional Administration.

Please fill out the following form to designate signature authority within your department. A separate form must be submitted for each employee you are designating as having signature authority for your department.

This is to certify that _____ (please print) has signature authority for the _____ (department name) and thereby has the authority to sign any documentation regarding transactions specified in the criteria above. This signature authority shall be effective beginning _____ and will end on July 31, 2009.

Specify any accounts the above individual **does not have authorization** for:

NOTE: Form will be distributed to all departments annually for updating

Requesting SVP/Dean/Director:

Signature _____ _____
Title *Date*

Internal Use Only			
Department	Accounting	Procurement	Human Resources
Initial	_____	_____	_____
Date	_____	_____	_____

PURCHASE EXEMPTION CERTIFICATE

F-262
Exemption Number

The Southern Baptist Theological Seminary
Name of Exempt Institution

Important—Certificate not valid unless completed.

PURCHASE EXEMPTION CERTIFICATE

Check Applicable Block
Blanket
Single Purchase

I hereby certify that Southern Baptist Theol. Seminary is a Kentucky resident, nonprofit educational, charitable or religious institution, or Kentucky historical site, located at 2825 Lexington Rd Louisville, Kentucky and that the tangible personal property or services to be purchased from _____
Name of Vendor

_____ Address

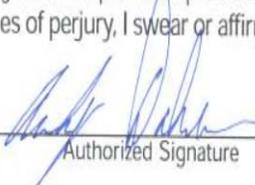
will be used solely within the exempt function of a charitable, educational or religious institution, or historical site.

Description of property to be purchased: _____

In the event that the property purchased is not used for an exempt purpose, it is understood that I am required to pay the tax measured by the purchase price of the property.

Any official or employee who uses this certificate to make tax-free purchases for his own personal use or that of any other person will be subject to the penalties provided in KRS 139.990 and other applicable laws.

Under penalties of perjury, I swear or affirm that the information on this certificate is true and correct as to every material matter.


Authorized Signature

Director of Procurement
Title

8/1/08 - 7/31/09
Date

CAUTION TO SELLER: This certificate cannot be issued or used in any way by a construction contractor to purchase property to be used in fulfilling a contract with an exempt institution. Sellers accepting certificates for such purchases will be held liable for the sales or use tax.

DEPARTMENT OF REVENUE
Frankfort, Kentucky 40620 51A126 (8-04)

PURCHASING QUICKREFERENCE

 The Southern Baptist Theological Seminary PURCHASING QUICKREFERENCE		Procurement Card	Requisition / PO	Check Request	Capital Request	Reimburse thru Business Expense Report	COMMENTS
Accreditation Fees			X				
Advertising Fees/Services		X					
Airfare						X	
Honorariums			X				must also provide offer letter
Books and Instructional Material	X						
Lease Payments		X	X				
Bulk Mailing			X				
Catering Services		X	X				Prefer a purchase order
Computers					X		
Conference Registration Fees	X						
Consulting Services			X				Must have Consultant Agreement
Duplicating/Binding Services	X						Preferred vendor-5th and Broadway
Employee Travel						X	
Entertainment Agreements		X	X				Must have Consultant Agreement
Equipment Rental		X	X				
Equipment Repairs/Service		X	X				
Exhibit Space Rental			X				
Express Mail (FedEx, UPS, DHL)	X		X				If off-campus, use Procard
Flowers/Gifts	X						Must be coordinated thru Pres. Office
Food for Seminary Business						X	
Furniture					X		Must have Inst. Admin. Approval
Government Fees			X				
Guest Expenses						X	
Hotel Charges						X	
Legal Fees/Services			X				
Library Books	X						
Maintenance Contracts			X				
Meals during Travel						X	
Membership Dues			X				
Supplies and minor decorations	X						Office Max thru Central Stores
Office Decor (trash cans, etc.)	X						
Office Equipment					X		Must be approved by Inst. Admin.
Office Renovations					X		Must be approved by Inst. Admin.
Postal Charges (stamps, etc.)	X						
Printers					X		Must be approved by Inst. Admin.
Production Printing (magazines, etc.)		X					
Promotional Items	X						Purchase Order if over \$2,500.00

 The Southern Baptist Theological Seminary <div style="border: 1px solid black; padding: 2px; display: inline-block;">PURCHASING QUICKREFERENCE</div>	<i>Procurement Card</i>	<i>Requisition / PO</i>	<i>Check Request</i>	<i>Capital Request</i>	<i>Reimburse thru Business Expense Report</i>	COMMENTS
Refreshments for Departmental Use					X	
Refreshments for Workshops					X	
Refunds			X			
Relocation Expenses						Call Procurement Department
Rental Car					X	
Speaker Fees			X			Must accompany offer letter
Stipend/Honorarium			X			
Storage			X			
Subscriptions (magazines, etc.)	X					
Supplies over \$2,500		X				
Training - Webinars	X					
Training - Onsite Consultants			X			
Training - Offsite Fees	X					
Transcription Services			X			Must have Consultant Agreement
Transportation Services(Bus, etc)		X	X			
Utility Payments			X			
GENERAL PURCHASING PROCEDURE						
1. If under \$2,500.00, then use ProCard, PO, Check Request, etc.						
2. If \$2,500.00 - \$9,999.99, the must have 3 quotes before making purchase via Procard, PO, Check Request, etc.						
3. If \$10,000.00 and over, must contact Procurement Department to initiate an RFP						

Steps in Creating a Requisition:

1. Please see the example in Appendix C
2. Call the vendor and ask for a price quote, *but* be sure they know that you aren't placing the order at that time.
3. Login to Jenzabar EX
4. Click on your department module on the left side (if you don't have one, try Common)
5. Click the Tasklist Menu, Click Open
6. Double-click your department, Double-click Requisitions
7. Click New at the bottom left corner.
8. Under the Header Tab, fill in only the following information:
 - Requestor ID (your ID#...for some this is your SSN#)
 - Vendor ID
 - Ship To Code* (ex: CS, INS...)
****All items should be shipped to Central Stores (CS)! If you are ordering a service, enter INS.***
 - Project Code (only applicable if this is a Capital Purchase)
 - Account number (enter "00" at the end if there is not a 5th component)
 - Date to Order
9. Click the Save icon, then click the Detail Tab (only enter information in the gray box--- NEVER THE YELLOW).
10. Fill in only the following information:
 - Quantity
 - Unit (usually "EACH")
 - Cost Per Unit
 - Item Description
NOTE: If you need more space for the description, right-click in the Item Description box and click on Additional Item Description. If you need more space than the one line, right-click in the gray area and click Add Row. Once you are finished click OK.
11. Uncheck the "OK To Group" box.
12. If you wish to order more than one item, right-click in the gray area at the bottom, click Add Row, and enter in the desired item using the same process in Steps 8-11.
13. Click the Window Icon to close
14. A dialog box asks if you want to save changes, click YES.
15. After the Requisition closes, the Create/Edit Requisition screen appears. You can see the Requisition you just created at the top of the list. (If not, be sure today's date is in the range at the top, and click Filter.)
16. Write down the Group Number and the Requisition Number.
17. Click the Window Icon to exit the Create/Edit Requisition screen.

Steps in Printing a Requisition:

1. Click Print Requisitions from the window still open on your screen.
2. Click the Printer Icon which says Regular Requisitions.
3. The Specify Retrieval Arguments box will appear. Type "n" as the Value 1. Then enter the Group Number you recorded earlier as Value 2.
4. Click OK
5. A preview will appear; select the Print Icon at the top.
6. Have the Department Manager sign in the blank space at the bottom.
7. Scan to email or use inter-office mail to send to Procurement.

SAMPLE REQUISITION

Requisition 15320

Page 1 of 1
10:39:00 08/14/2008

2825 Lexington Road
Louisville, KY 40280
(502) 897-4722
purchasing@sbts.edu

Vendor	Ship Merchandise to the above address unless otherwise listed below
Radioland Inc 1421 Lexington Rd Louisville, KY 40206-1992	Central Stores Southern Baptist Theo Seminary 2841 Seminary Road Louisville, KY 40280

Requisition Date	Date to Order	Delivery Date	Requester
08/11/2008	08/11/2008	00/00/0000	Rebecca Mae Martin

Quantity	Description	Unit	Cost Per Unit	Total Cost
1.00	Motorola XPR6500 Mototrbo UHF 160 Channel display TDMA/ANALOG digital portable includes 1500 mah Impres battery, Impres rapid rate desk charger, antenna & belt clip.	Each	868.0000	868.00
1.00	Motorola Impress speaker microphone	Each	76.5000	76.50
1.00	Bee Nylon Durus Nylon holster w/ Swivle belt loop.	Each	35.0000	35.00
1.00	Program Installation	Total	15.0000	15.00
Total				994.50

SPECIAL INSTRUCTIONS: This is not a purchase order.

SAMPLE PURCHASE ORDER

Purchase Order

Page 1 of 1
08/14/2008

2825 Lexington Road
Louisville, KY 40280
(502) 897-4722
purchasing@sbts.edu

P.O. Number: 11980

F.O.B. Destination
Fiscal Year:

*Carrier must call 502-897-4397 at least 24 hrs prior to delivery *

Vendor	119830	Ship Merchandise to the above address unless otherwise listed below
	Radioland Inc 1421 Lexington Rd Louisville KY 40206-1992	Central Stores Southern Baptist Theo Seminary 2841 Seminary Road Louisville, KY 40280

PO Date	Requested Ship Date	Requester	Mail Invoice to the above address unless otherwise listed below
08/13/2008	00/00/0000	Rebecca Mae Martin	Attn: Accounts Payable Southern Baptist Theo Seminary 2825 Lexington Road Louisville, KY 40280

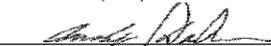
Confirming Order Change Order Taxable Non-Taxable

Quantity	Description	Unit	Cost Per Unit	Total Cost
1.00	Motorola XPR6500 Mototrbo UHF 160 Channel display TDMA/ANALOG digital portable includes 1500 mah Impres battery, Impres rapid rate desk charger, antenna & belt clip.	Each	868.0000	868.00
1.00	Motorola Impress speaker microphone	Each	76.5000	76.50
1.00	Bee Nylon Durus Nylon holster w/ Swivle belt loop.	Each	35.0000	35.00
1.00	Program Installation Project 090014 A/c 08-0000-8001-8301-13	Total	15.0000	15.00
Total				994.50

Billing Instructions: Send an original and one (1) copy of invoice. Include purchase order number on all invoices. Invoices without Purchase Order number will be returned without obligation for late charges.

Acceptance of this order is expressly limited to the terms and conditions of the order.

Note: Payment terms will be net 30 unless a cash discount applies for earlier payment from receipt of invoice in the Accounts Payable Office or receipt of merchandise, whichever is later.


 Purchasing Agent
 Andy Donahou
 Director of Procurement

SAMPLE CHECK REQUEST



CHECK REQUEST FORM The Southern Baptist Theological Seminary

INSTRUCTIONS: Appropriate supporting documents MUST be attached to this form.
RED FIELDS ARE REQUIRED

Date Submitted: _____ Completed by (print name): _____
Dept. Name: _____

SECTION 1: Payee/Vendor Information

Check Payable to: _____
Jenzabar Vendor ID: _____
*Social Security # (for individuals): _____
*Federal Tax ID # (for companies): _____
Remit to Address _____
on invoice:

REQUIRED IF APPLICABLE
Invoice #: _____ (invoice must be attached)
Purchase Order #: _____ (PO must be attached)
Capital Project #: _____
Capital Project Acct #: _____
Check One (if thru purchase order):
Partial Payment
Final Payment

*Required if Vendor is (1) an individual or (2) not a corporation.

SECTION 2: Justification and Account Information

Please type a detailed explanation for the payment (include dates, course numbers, names, etc).

Check Amount: _____ Requested Check Date: _____
(see check printing schedule below)
GL Acct # (16 digits): _____ Amount: _____
GL Acct # (16 digits): _____ Amount: _____
Early pay discount and date (%): _____
Message to be printed on check stub: _____
(must be less than 20 characters)

SECTION 3: Budget Manager's Approval (signifies receipts of goods/services and approval for payment)

Signature _____ **Date** _____

CHECK ALL THAT APPLY
Check to be picked up by Payee at Cashier's Window
Check to be mailed by SBTS Accounting to Payee
Check to be picked up by the following named SBTS employee _____ to be handed to Payee on campus (Permissible only when Payee is a visitor to campus).
Does any attached documentation need to be sent with the check?
Yes, please attach the following: _____

NOTE THE FOLLOWING

- Vendor invoices are to be paid NET 30, except for Honorariums, Travel Advances, or with Procurement Office approval.
- Checks are printed on Tuesdays and Fridays (unless a Holiday).
- Check requests with all required info will be processed as follows:
 - Requests received by Friday 4:30pm will print the next Tuesday.
 - Requests received by Wednesday 4:30pm will print the Friday of the same week.

INTERNAL USE ONLY

Disbursement Approved by: _____ Data Entered by: _____
Data Entry Verified by: _____ 1099 Vendor _____

SAMPLE STANDING PURCHASE ORDER



Purchase Order
2009160

This number must appear on all invoices, packing slips, packages & correspondence.

STANDING PURCHASE ORDER

VENDOR:

Name & Address
Zbattery.com
1826 Hilltop Rd
Saint Joseph, MI 49085

SHIP TO:

Name & Address
Central Stores
2841 Seminary Rd
Louisville, Kentucky 40280

TAX EXEMPT – F262 (Do not charge tax on this order.)
 CHANGE ORDER*

PLEASE ENTER OUR ORDER AND FURNISH GOODS OR SERVICE SPECIFIED BELOW IN ACCORDANCE WITH TERMS OF THIS PURCHASE ORDER.

*If this is a change order, this order affects only the following, all other terms and conditions of the original purchase order remain in effect until contract completion; however, the above purchase order number should be used on all correspondence and invoices.

DESCRIPTION

Employee: DON CORBIN
Period: 8/1/2008 - 7/31/2009
\$ Limit: 600.00
Description: SUPPLIES and SERVICE

Please provide the above individual with the items listed for the specified period. Orders are limited as stated.

The above purchase order number must be used on all invoices and correspondence to assure timely payment of account.

This standing purchase order is subject to cancellation without prior notice and can be used only by the persons designated above. Purchases exceeding the limit must be accompanied by a separate purchase order.

BILLING INSTRUCTIONS: SEND AN ORIGINAL AND TWO (2) COPIES OF INVOICE TO:

ACCOUNTS PAYABLE
SOUTHERN BAPTIST THEOLOGICAL SEMINARY
2825 LEXINGTON ROAD
LOUISVILLE, KY 40280

INCLUDE PURCHASE ORDER NUMBER ON ALL INVOICES. INVOICES WITHOUT PURCHASE ORDER NUMBER WILL BE RETURNED WITHOUT OBLIGATION FOR LATE CHARGES.

PAYMENT TERMS: NET 30, UNLESS A CASH DISCOUNT APPLIES FOR EARLIER PAYMENT, FROM RECEIPT OF INVOICE IN THE ACCOUNTS PAYABLE OFFICE OR RECEIPT OF MERCHANDISE, WHICHEVER IS LATER.

ACCEPTANCE OF THIS ORDER IS EXPRESSLY LIMITED TO THE TERMS AND CONDITIONS OF THE ORDER.

PURCHASING AGENT

The Southern Baptist Theological Seminary

Sample Independent Contractor / Consultant Agreement

THIS AGREEMENT is made this _____ day of _____, 2_____, by and between **The Southern Baptist Theological Seminary**, located at 2825 Lexington Road, Louisville, KY 40280, hereinafter referred to as "the Seminary" and _____, located at _____, hereinafter referred to as "the Independent Contractor / Consultant".

WHEREAS, the Seminary desires to have the Independent Contractor / Consultant perform certain services described herein; and WHEREAS, the Independent Contractor / Consultant represents that he/she is ready, willing and able to perform such services; THEREFORE, the parties mutually agree as follows:

SCOPE OF WORK

- A. General Objectives (desired end result):

- B. Specific Objectives or Deliverables (list or describe, in chronological order if possible, and attach additional pages as needed):

AGREEMENT TERM

This agreement shall commence on _____, 2_____, and terminate on _____, 2_____. The Seminary reserves the right to alter the starting and ending dates of this agreement according to the needs of the Seminary.

COMPENSATION

As compensation for the services described above to be performed by the Independent Contractor / Consultant, the Seminary shall pay, during the term of this agreement, an amount not to exceed \$_____, including related travel and other expenses.

- A. Payment of such compensation shall be made by the Seminary following submission by the Independent Contractor / Consultant of a detailed invoice for services rendered to date, along with documentation of related travel and other expenses incurred by the Independent Contractor / Consultant.
- B. Only those travel expenses incurred by the Independent Contractor / Consultant that received the prior authorization of the Seminary's Project Manager designated below are eligible for reimbursement.
- C. The Seminary's payment terms are Net 30 Days on all invoices submitted by the Independent Contractor / Consultant.
- D. No payments shall be made by the Seminary for services rendered by the Independent Contractor / Consultant prior to receipt by the Seminary of the taxpayer identification number (social security number or employer identification number) and/or Form W-9 from the Independent Contractor / Consultant.

REPORTING

Periodic written reports shall be submitted by the Independent Contractor / Consultant describing the services performed pursuant to this agreement as follow:

A. Such reports shall be submitted on a _____ (weekly, semi-monthly, monthly, quarterly, etc.) basis to _____, the Seminary employee who will serve as the Project Manager for the services to be performed pursuant to this agreement.

B. Such reports will consist of:

INSURANCE

The Independent Contractor / Consultant shall maintain insurance coverages during the term of this agreement as follows:

- A. Workers Compensation. As required by law in the State of Kentucky, covering all persons employed by the Independent Contractor / Consultant in rendering the services contemplated by this agreement.
- B. Liability. Comprehensive or commercial general bodily injury and property damage liability insurance in an amount not less than \$1,000,000 for each occurrence.
- C. Each of the above insurance policies shall contain covenants by the issuing company (1) stating that the policy shall not be cancelled without thirty (30) days' prior written notice of cancellation to the Seminary, and (2) naming the Seminary as an additional insured.

CLASSIFIED/RESTRICTED PROPRIETARY DATA

The Seminary agrees to inform the Independent Contractor / Consultant of any information or material made available hereunder to the Independent Contractor / Consultant that are classified, restricted, or proprietary data, either in United States Government classifications or according to Seminary classifications. The Independent Contractor / Consultant agrees that any such information or material furnished to him/her by the Seminary will be returned to the Seminary upon request, or upon termination of this Agreement.

COPYRIGHTS

The Independent Contractor / Consultant agrees that all papers, documents and writings produced by the Independent Contractor / Consultant under this Agreement shall be considered a work made for hire and shall be the sole property of the Seminary. Papers, documents, and writings as used in this agreement include computer software, related source code and any associated documentation. The Seminary shall own all copyright rights and any other proprietary rights in and to such writings and/or media in any country or countries. Possession of such documents and writings shall be transferred to the Seminary at the termination of performance of services under this Agreement or at the Seminary's earlier request. Any reports, information, data, etc., given to, or prepared by, the Independent Contractor / Consultant under this Agreement, shall not be made available to any individual or organization by the Independent Contractor / Consultant without the prior written approval of the Seminary.

EXAMINATION OF RECORDS AND INDEPENDENT CONTRACTOR / CONSULTANT PROGRESS

The Seminary shall have access to and the right to examine any directly pertinent books, documents, papers and records of the Independent Contractor / Consultant involving transactions related to this Agreement until the expiration of three years after final payment hereunder. In the performance of the services, the Independent Contractor / Consultant has the authority to control and direct the performance of the details of the work with the Seminary being interested only in the results obtained. However, the work contemplated herein must meet the Seminary's standards and approval and shall be subject to the Seminary's general right of inspection and supervision to secure the satisfactory completion thereof. Independent Contractor / Consultant agrees to comply with all federal, state and local laws, rules and regulations that are now or hereafter applicable to the Independent Contractor / Consultant or the Contractor's/Consultant's business.

INTEREST OF INDEPENDENT CONTRACTOR / CONSULTANT

The Independent Contractor / Consultant covenants that it presently has no interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Independent Contractor / Consultant further covenants that in the performance of this Agreement, the Independent Contractor / Consultant shall not employ any person having such conflicting interests.

PUBLICITY

It is also agreed that no advertising or publicity materials having or containing any reference to The Southern Baptist Theological Seminary, or in which the name is mentioned, shall be used by the Independent Contractor / Consultant or anyone on the Contractor's/Consultant's behalf unless and until the same shall have first been submitted to and received the written approval of an authorized representative of the Seminary.

TERMINATION

By giving five days written notice to the Independent Contractor / Consultant, the Seminary may terminate this contract in whole or in part at any time for cause, including, but not limited to, the failure of the Independent Contractor / Consultant to fulfill his/her contract obligations. Such notice shall be delivered by certified mail to the Independent Contractor / Consultant at the address shown on the last page of this Agreement. Upon receipt of such notice, the Independent Contractor / Consultant shall, as notice directs: 1) discontinue all services affected; and 2) deliver to the Seminary all data, reports, summaries and such other information and materials as may have been prepared for and/or accumulated by the Independent Contractor / Consultant in performing this Agreement, whether completed or in progress. Independent Contractor / Consultant will be compensated for services provided pursuant to this Agreement to the effective date of termination.

CHANGES

The Seminary may require changes in the scope of the services of the Independent Contractor / Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of the Independent Contractor's/Consultant's compensation which are mutually agreed upon by the parties, shall be incorporated by written amendment to this Agreement.

INDEPENDENT CONTRACTOR'S/CONSULTANT'S LIABILITY

In addition to the liability imposed by law on the Independent Contractor / Consultant for damage or injury (including death) to persons or property by reason of negligence and/or intentional conduct of the Independent Contractor / Consultant or any of his/her agents or anyone directly or indirectly employed by them, the Independent Contractor / Consultant hereby agrees to the following condition:
The Independent Contractor / Consultant agrees to hold the Seminary harmless and indemnify the Seminary for every expense, liability or payment suffered or claimed to have been suffered through any act or omission of the Independent Contractor / Consultant or any of his/her agents or anyone directly or indirectly employed by them, or from the conditions of the Seminary's premises or any part of the Seminary premises while in the control of the Independent Contractor / Consultant or any of his/her agents or anyone directly or indirectly employed by them, or arising in any way from the work called for by this agreement..

WAIVER OF DEFAULT

Any failure by the Seminary at any time or from time to time to enforce or require the strict keeping and performance by Independent Contractor / Consultant of any of the terms or conditions of this agreement shall not constitute a waiver by the Seminary of a breach of any such terms or conditions in any way or the right of the Seminary at any time to avail itself of such remedies as it may have for any such breach or breaches of such terms or conditions.

INDEPENDENT CONTRACTOR / CONSULTANT

The Seminary and Independent Contractor / Consultant intend that the relationship established between them pursuant to this agreement shall be that of client and independent contractor. No agent, employee or servant of the Independent Contractor / Consultant shall be or shall be deemed to be an employee, agent or servant of the Seminary unless prior approval from the Senior Vice President of Institutional Administration is given. The Seminary is interested only in the results obtained under this Agreement consistent with the above outline. Consequently, Independent Contractor / Consultant is responsible for all applicable federal and state regulations relating to income tax, social security, worker's compensation and unemployment insurance. Independent Contractor / Consultant further agrees that there are no claims to any rights to benefits or tenure rights for the Independent Contractor / Consultant or his agents under this agreement. The Seminary waives any right to direct, instruct, and control Independent Contractor / Consultant as to the manner in which the Independent Contractor / Consultant achieves the general and specific objectives, except that Independent Contractor / Consultant agrees to perform its work in a manner, which is consistent with general, Seminary protocol.

INDEPENDENT CONTRACTOR / CONSULTANT

SOUTHERN BAPTIST THEOLOGICAL SEMINARY

Independent Contractor / Consultant Name

Project Manager Signature

Date

EI# or SS#

SVP/Dean/Director Signature

Date

Title of Project

Date

Director of Procurement Signature

Date



Purchasing/Procurement Card Policy Waiver Form

The Southern Baptist Theological Seminary

DEPARTMENT _____

DIVISION _____

SBTS EMPLOYEE/TITLE _____

DATE _____

VENDOR _____

(1) **Description of Purchase made:**

(2) **Amount of Purchase:** _____

(3) **Reason For Above Purchase Outside of SBTS Policy**

(4) I have reviewed the Purchasing and/or Procurement Card Policy for the Seminary and understand the guidelines set forth in obtaining goods and services within these policies related to the above purchase.

Date: _____

(Signature)

For internal use only:

Approved _____ Disapproved _____

Approved by: _____ Date: _____
(Director of Procurement)

Approved by: _____ Date: _____
(Vice President of Finance)



Capital Expenditure Request and Justification Form The Southern Baptist Theological Seminary

DEPARTMENT _____
DIVISION _____

<u>Priority Rating</u>	
1. Critical	_____
2. Upgrade	_____
3. Desirable	_____

CAPITAL EXPENDITURE REQUESTED:

(1) EQUIPMENT (Describe):

- _____
- A. Estimated cost of equipment \$ _____
 - B. Was an estimate of cost submitted by vendor? ___ Yes ___ No
 - C. If yes, attach a copy of estimate to Request form.
 - D. Does this machine replace another machine? ___ Yes ___ No
 - E. If yes, what is the proposed disposition of the old machine? ___ Trade ___ Surplus
 - F. Age of old machine _____ Years

(2) LAND PURCHASE, BUILDING ADDITION, OR BUILDING IMPROVEMENT (Describe):

- _____
- A. Estimated cost for project \$ _____
 - B. Was an estimate of cost submitted by a vendor? ___ Yes ___ No
 - C. If yes, attach a copy of estimate to Request form.

JUSTIFICATION FOR ABOVE REQUEST

SOURCE OF FUNDING: (list account number on the appropriate line provided below)

Capital: _____
Operating: _____
Restricted: _____

Requested by: _____ **Date:** _____
(Name and Title)

Approved by: _____ **Date:** _____
(Department Head or Dean Signature)

Approved by: _____ **Date:** _____
(Director of Procurement)

Approved by: _____ **Date:** _____
(Senior Vice President of Institutional Administration)

<u>For Internal Use Only</u>	<u>Date</u>
Project Number Assigned: _____	_____
Capital Account Number Assigned: _____	_____
Email Notification Sent To: _____	_____

Instructions: Capital Expenditure Request and Justification Form

DEPARTMENT Name of the specific department making the request.

DIVISION Name of department's organizational location:
 ✓ Academic Administration
 ✓ Institutional Administration
 ✓ Institutional Relations

IMPORTANT! Budget Managers are expected to anticipate needs for their departments prior to the annual budget approval process. Future capital needs should be planned for and incorporated during the annual budget request.

PRIORITY 1:	CRITICAL – Required to prevent a critical reduction in service, operating efficiency, economy, and/or safety; to protect valuable property; and/or comply with insurance or code requirements.
PRIORITY 2:	UPGRADE – Required for significant upgrade in service, operating efficiency, economy and/or safety of current operations.
PRIORITY 3:	DESIRABLE – Required to introduce desirable , but optional new service, program, faculty or staff, or to make small improvements in operating efficiency, economy and/or safety.

“CAPITAL EXPENDITURE REQUESTED” EXPLANATION

- (1) ***How is equipment defined?***
 Any item(s) not affixed to a building or land. Includes computer items, vehicles, furniture, etc.
- A. ***Estimated cost for project***
 Total cost of acquiring and placing the equipment in service, including shipping, installation, consulting, training and other direct costs.
- B. ***Was an estimate of cost submitted by a vendor?***
 Although helpful, quotes are not required as a part of the request for capital expenditure process. If the request is approved, the following schedule should be adhered to for securing quotes.
 ➤ \$2,500 or above requires three (3) quotes
 ➤ \$10,000+ requires the RFP process
- E. ***What is the proposed disposition of the old machine?***
 If the old equipment is traded in to receive a lower price on the purchase of new equipment check "Trade" box. If not check "Surplus" box and contact Central Stores for removal.
- (2) ***Land Purchase, Building Addition, or Major Improvement***
 Includes any new independent, habitable structures, additions or renovations of existing habitable structures, and furnishings and equipment which are permanently affixed to a habitable structure.
- A. ***Estimated cost for project***
 Include shipping, installation, consulting and all other costs directly associated with acquiring the improvement and placing it in service.
- B. ***Was an estimate of cost submitted by a vendor?***
 See explanation on (1) Equipment.

Routing and approval process: Send request, signed by department budget manager, along with any explanatory attachments to:
 Office of Procurement
 Sampey Hall, Room 4103



Emergency Request

The Southern Baptist Theological Seminary

DEPARTMENT _____

DIVISION _____

CAPITAL EXPENDITURE REQUESTED:

(1) **Expenditure Requested (Describe):**

(2) **Estimated or Actual Cost of Equipment or Service:** _____

(3) **JUSTIFICATION FOR ABOVE REQUEST**

SOURCE OF FUNDING: *(list account number on the appropriate line provided below)*

Capital: _____
Operating: _____
Restricted: _____

Requested by: _____ **Date:** _____
(Name and Title)

Approved by: _____ **Date:** _____
(Department Head or Dean Signature)

Approved by: _____ **Date:** _____
(Director of Procurement)

Approved by: _____ **Date:** _____
(Senior Vice President of Institutional Administration)

<u>For Internal Use Only</u>	<u>Date</u>
Project Number Assigned: _____	_____
Capital Account Number Assigned: _____	_____
Email Notification Sent To: _____	_____



Capital Project Completion Report The Southern Baptist Theological Seminary

DEPARTMENT _____
DIVISION _____
PROJECT COORDINATOR _____

PROJECT INFORMATION
Project Name _____
Project Number _____
Project Account Number _____
Approved Budget _____
Project Start Date _____
Project Completion Date _____
Total Actual Cost (all invoices) _____

CHECK ONE AND SPECIFY
 Equipment (specify name and model #) _____
 Land Improvement (specify exact location) _____
 Building Renovation (specify building) _____

Is this project complete? _____
OR
Is this project part of a phase of renovations/improvements? _____
If phased, what percentage of completion does this project represent? _____

DETAILED SCOPE OF WORK THAT WAS COMPLETED

I certify that the above project has been completed by the date specified above AND all invoices, receipts, and reimbursements have been processed and charged to the account. This project may be closed and documentation forwarded to Accounting. I further agree that subsequent receipts, invoices, and reimbursement received after this form is processed may result in having such expenses taken out my departments operating budget.

Project Coordinator's Signature _____
Date

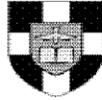
Reviewed by:
Director of Procurement _____ **Date** _____
Director of Accounting _____ **Date** _____

SAMPLE STOCKROOM REQUISITION

Page 1 of 1
10:37:37 08/14/2008

Stock Room Requisition

Requisition #: 15336



Vendor **Deliver Merchandise to the address below**

Stores, Central - SBTS

Ext.

Sampey Hall

Please deliver to 4103

Requisition Date	Date to Order	Delivery Date	Requester	Account Number
08/14/2008	08/14/2008	00/00/0000	Thomas Andrew Binkowski	01 0370 0000 7390 00

Quantity	Description	Unit	Qty Issued	Back Ordered	Cost/Unit	Total Cost
1.00	OF02004 #10 Seminary Envelope	Box/500				
Total						

Cost Center Manager

Pulled By

Received By