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## UNIVERSITY OF MIAMI POLICY AND PROCEDURE MANUAL

TITLE: Purchasing Goods and Services

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CATEGORY: Supply Chain Services

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### I. **PURPOSE:**

To explain the various approved procurement and payment methods available for University purchases of goods and services.

### II. **SCOPE:**

### III. **POLICY:**

The University's purchasing card (PCard) may be used to purchase approved goods related to University business with a dollar amount not to exceed \$2,000 per transaction/\$10,000 per month. If a contract is established with a vendor for the commodity (such as office supplies or laboratory supplies), a purchase order should be used instead of the PCard to ensure the University receives the contract pricing. Refer to policy D050 PCard.

Purchase orders are used to order goods and services. The Purchasing Department maintains a database of approved vendors; existing University vendors should be used whenever possible. A purchase order must be requested prior to the order being placed with the vendor. Purchasing policies and procedures will apply: [http://www.miami.edu/finance/index.php/purchasing/policies\\_procedures/](http://www.miami.edu/finance/index.php/purchasing/policies_procedures/).

eBERF's are used for the reimbursement of business travel and entertainment expenses only. Examples are: business meals with prospective faculty, airfare, lodging, car rental, trip meals and other expenses directly related to University business travel.

eChecks are used only when a PCard or purchase order is not more appropriate. eChecks must not be used to circumvent Purchasing policies and procedures. Examples of approved expenses allow through eCheck are honorarium or student awards. Refer to policy D010E eCheck.

Wire transfers for purchases of goods and services should be submitted in conjunction with a purchase order whenever possible to ensure University policies and procedures are followed. Wire transfers should be limited to transactions involving foreign currencies or central administrative office (Risk Management, Corporate Cards, etc.) payments.

### IV. **DEFINITIONS:**

*eBERF*: An electronic business expense reimbursement form.

*eCheck*: An electronic check requisition.

**V. PROCEDURE:**

1. PCard: Employees may request a PCard through the Corporate Cards Office. The employee must be trained before the PCard is issued. Statements must be submitted along with receipts each time the card is used. The PCard should not be used for services or for any personal purchases.
2. Purchase Orders: Purchase requisitions should be submitted through UMeNET unless the request is for a change order (change orders are currently submitted through a paper purchase requisition). A purchase order is issued once all departmental approvals are obtained and Purchasing approves the order if required. The purchase order is sent to the vendor. The vendor generally submits an invoice when goods are shipped or services are provided. If the invoice matches the purchase order, Accounts Payable will issue payment based on the agreed upon payment terms, i.e. 2% 10 Days/Net 30. Invoices that do not match a valid purchase order will be rejected and payment to the vendor will be delayed. See policy BSJ-010 Change or Cancellation of an Order.
3. eBERF: Employees' eBERFs are submitted through UMeNET to request reimbursement of business travel and entertainment expenses paid out of pocket or with the University Travel Card. A direct deposit will be made to the employee's bank account on file with payroll once the eBERF has been fully approved by all required approvers including the account signer, supervisor, and Disbursements/ Sponsored Program office. The eBERF is not to be used for University equipment and supplies purchases.
4. eCheck: the eCheck is submitted through UMeNET and is limited to pay for lecture fees, student awards, and central administrative refunds. eCheck cannot be used to pay business entities for goods and services.
5. Wire transfers: The department submits a purchase requisition and indicates that a wire transfer is required. The "Departmental Request for Electronic Transfer of Funds" form must be submitted along with the request. Once the purchase order is issued, Purchasing will forward the form to Cash Management for the wire transfer to be completed. The form must include all appropriate backup and must be signed by a signer on the account that is being debited. Signatures must be obtained in accordance with the dollar limits indicated on the form. All forms need to be originals (no faxes or scanned copies will be accepted). If a sponsored account is being debited, a Sponsored approval must be obtained. The following sub-object codes also need the approval of Disbursements prior to submitting them to Cash Management: 31XXX; 36XXX; or 38XXX.
6. Foreign Exchange Drafts: The department submits the "Departmental Request for International Draft" form with appropriate signatures and back up following the same requisitions as indicated above under wire transfers.