

BURRELL COLLEGE OF OSTEOPATHIC MEDICINE

STANDARD OPERATING PROCEDURES

Purchasing Process		SOP #: FIN.016.03
Effective Date	5/8/15	
Last Revision/Review	9/13/2022; 10/7/22	

1. Purpose

The purpose of this procedure is to ensure appropriate internal requisition and purchasing controls are implemented and exercised for the control of all procurement activity from vendors.

2. Related Policy/Authority

Policy B3011

3. Faculty/Staff Responsibilities

Vice President of Administration/CFO is responsible to ensure that an overall structure of sound internal controls is implemented, GAAP is followed in all accounting, and that all external regulations and requirements for routine business transactions are addressed in the control and reporting structure. The VP of Administration/CFO is responsible to periodically review the structure and implementation of internal controls, and to regularly review all financial reports presented to the Ownership, the Board, the Debt Trustee, and any governmental agency or accrediting body.

The Controller is responsible for the implementation and oversight of these procedures.

4. Definitions/Abbreviations

e-Requestor = Purchase requisition front end system which submits approved requisitions and related transactions to GP.

GP = Microsoft Dynamics GP (Great Plains) software system, the central finance and human resources administrative software system

PR = Purchase Requisition

RR = Receiving Report

PO = Purchase Order

Vendor = Any individual or entity providing goods or services to the College that is not an employee of the College or a student enrolled in the College

Professional Service Agreement (PSA) = A contract for professional services with detailed scope of work that supports a services purchase order

5. Procedural Steps

Purchase Requisition

Purchase Requisition (PR) are the requisitions entered by the Department's designee or Administrative Assistant into e-Requestor. All approved requisitions are automatically uploaded to GP. Regardless of the dollar amount a department is required to enter a PR prior to obtaining goods and services. No

BURRELL COLLEGE OF OSTEOPATHIC MEDICINE

STANDARD OPERATING PROCEDURES

purchase may be made until the PR has been reviewed and approved by the Department Head and above and by the Finance Office, as presented in Policy B3011 Fiscal Management . The requisitioner will be required to request and submit to the Finance Office a Form W-9 for any new vendor; requisitioners can determine if a vendor is already established through e-Requestor. In the rare event that a requisition cannot be processed through e-Requestor, the requisitioner should contact the Controller who will consider if the PR can be processed via the Manual Purchase Requisition form. Requisitions for hiring a Visiting or Guest Lecturer, who will be performing very limited services in comparison with an Adjunct Faculty Member, should separately complete a Visiting/Guest Lecturer Requisition form.

Purchase Order

Upon approval of a PR, a Purchase Order (PO) is created. For purchases of professional services, a PSA is executed prior to the creation of the PO authorizing the services. All procurement from vendors must be authorized via the purchase order process, with expanded contractual documentation of service expectations for all professional service agreements. The College maintains the contractual right to terminate all such agreements should expectations not be met.

Purchase Order Disbursement

Upon delivery of goods or services, vendors will submit invoices to Accounting Technician in the Finance Office. If a requestor receives an invoice directly, submit the original invoice to the Finance Office. Payments are initiated by the Accounting Technician upon receipt of an invoice from the vendor. All vendor invoices must reference the Purchase Order number, not the Purchase Requisition.

Receiving information

Staff and Faculty are not to directly receive any purchased goods. Purchased goods are physically received by the Facilities Department. The Finance Office records and enters the receiving of purchased goods into the accounting system. Purchased goods are distributed by Facilities. A receiving report (RR), which includes either notification that goods have been received and meet expectations (a "3-way match" transaction), or authorization to pay for services rendered (a "2-way match" transaction), must be completed by the Purchasing Technician for 3-way match transactions and by the Accounting Technician for general 2-way match transactions. to authorize the payment. Each month, Accounting will match approved PR, RR and invoices to authorize cash disbursements. Clinical Education transactions for payment of preceptors are authorized through an upload of their approval from a subsystem to GP; all other requestors inform the Finance Office via email of their approval for the Accounting Technician to enter 2-way match RR upon receipt of invoice.

Issuance of Payment

Checks and ACH transfers are processed and released weekly or as otherwise scheduled. Checks will be mailed to vendors unless a check pick-up has been expressly requested and approved on the PR; in this case, the Finance Office will provide the payment to the requestor.

The Accounting Technician will make every attempt to process invoices that have discount payment terms within the discount period. All other invoices are paid within 30 days for the invoice date (net 30), unless other payment terms have been agreed.

BURRELL COLLEGE OF OSTEOPATHIC MEDICINE

STANDARD OPERATING PROCEDURES

There is a weekly disbursement approval cycle; questions about pending disbursements should be directed to the Finance Office. A pending disbursement request will be in one of the following stages:

- a. Under review
- b. Approved or declined (declined requests will be returned to the requestor immediately)
- c. Approved but waiting for payment scheduling
- d. Scheduled for payment
- e. Paid

Credit Card Purchases

Any purchases made with the BCOM credit card must have an approved purchase requisition or approved travel requisition before proceeding with any expenditure

NOTE: The only exception will be given to the CEO or CAO. A purchase request will be completed in arrears by either party that utilizes the card.

Expense Reimbursement

An employee may purchase goods and/or services out of pocket. The employee will complete and submit an Expense Reimbursement Report (ER) form [<https://burrell.edu/finance/finance-forms>] to the Finance office along with original receipts within 7 business days after the purchase was made.

Approval process for the ER is the same as for PR process. In general, purchases of goods and services should be made through the PR process, rather than through the ER process; justification for the use of the ER for non-travel expenses will be required as a part of the submission.

Travel Expense/Reimbursement

Refer to SOP FIN.018.00 for Travel Expense/Reimbursement.

6. Reports/Charts/Forms/Attachments/Cross References

Purchase Requisition (Manual), Visiting/Guest Lecturer Requisition and W-9:

[Burrell College of Osteopathic Medicine – Finance Forms \(bcommm.org\)](https://burrell.edu/finance/finance-forms)

E-Requestor User Guides: [Burrell College of Osteopathic Medicine – Finance \(bcommm.org\)](https://burrell.edu/finance/finance-forms)

7. Maintenance

Office of the Controller; updated whenever an external reporting requirement is added or changed.

8. Signature

Approved by
VP Administration/CFO

10/7/2022
Date

9. Distribution List

Internal/External

BURRELL COLLEGE OF OSTEOPATHIC MEDICINE

STANDARD OPERATING PROCEDURES

10. Revision History

Revision Date	Subsection #	Summary of Changes	New/Cancellation/Replacement Procedure? (if applicable)	Approval Date
11.19.2021	5	Added information about processing new vendors via e-requestor.		12.1.2021
11.19.2021	5	Added information about preceptor payment process		12.1.2021
9/13/2022	5	Added information about receiving goods.		9/13/2022
10/7/2022	5	Added Purchase Order Section		10/7/2022