More Advice on Requisitions

Purchasing Policies & How-To's

1. Every ISU employee involved in the purchasing process has the obligation to comply with state laws, federal guidelines, established ethical standards, and best business practices. It is expected that those authorized to create requisitions in Banner (“ReqMasters”) will exercise good judgment at all times, and will consult with Purchasing Services (Purchasing) whenever questions arise.

2. A **Purchase Order** number or **Purchasing Card** (P-Card) number must be used to begin every purchasing transaction with a vendor. Purchase Orders must be issued before a purchase is made.

3. A **Reqmaster** will create a requisition when a Purchase order is to be sent to a **vendor to order goods or services**. Purchasing creates purchase orders from the requisitions submitted.

4. There are two types of Purchase Orders — Regular and Standing.
   - **A Regular Purchase Order** will be used to place orders with vendors for goods and services.
   - **Standing Orders** replace Open Orders and require an accurate estimate of the amount to be spent because they encumber funds. A Standing Purchase Order will be created from a Banner requisition for rent, utilities, and certain other reoccurring orders. Standing Orders can be issued for a period of up to 12 months and expire each year on June 30.

5. The **Interdepartmental Transfer of Property** form will be submitted directly to Purchasing when it is necessary to move goods (transfer inventory) from one department to another.

6. When items purchased with a Purchase Order are delivered to a department or services are rendered, that department is responsible for completing a **Departmental Receiving Report** form and for sending it to Purchasing. A report is required for all goods and services purchased with a Purchase Order except for prepaid maintenance. Reports are not required for P-Card orders. However, the P-Card holder is responsible for maintaining all documentation associated with such purchases.

7. All purchases made by Idaho State University are exempt from sales Tax.

For additional information and for copies of the forms mentioned above, please refer to the Purchasing tab in BengalWeb or to the Purchasing website: [www.isu.edu/purch](http://www.isu.edu/purch).

**P-Cards**

Purchasing grants P-Cards to approved University employees, and each P-Card has specific spending limits which must not be exceeded (new P-Card holders are given a transaction amount of $500). All P-Card holders must understand the concept of “chaining,” a deliberate attempt to avoid exceeding purchasing dollar limits by breaking a single-vendor purchase into multiple orders. Card holders must accept the consequences if they intentionally exceed their delegated authority or engage in chaining in order to do so.

P-Cards are made available for incidental purchases. However, the P-Card program is not intended to meet all of a department’s needs. When additional oversight or approval is needed, when a purchase is potentially questionable or in need of greater scrutiny, or when a purchase includes a sensitive item (whether or not that item is included in the Unauthorized Purchases list*), requisitions should be created and submitted to Purchasing. Requisitions are required for purchases of any electronic equipment costing
more than $299. A requisition is approved prior to a purchase whereas P-Card purchases are reviewed only after the fact.

* A complete list of Unauthorized Purchases can be found under "What You Can and Cannot Buy" in the P-Card Manual provided by Purchasing. Alcoholic beverages, radioactive isotopes, and live animals are among the prohibited items.

Transactions Handled by Accounting

- Reimbursements for out-of-pocket expenses of less than $100 will be processed using the Reimbursement Request form. Any cash expenses over $100 will be subject to greater scrutiny. Cash expenses may not be reimbursable. If there are doubts, check with Accounting beforehand.
- The Direct Pay form (no Purchase Order) will be used to process payment for memberships, subscriptions (unless a contract or license is involved), and monthly parking fees. Direct Pay is the preferred method of purchase when prepayment is required.
- The Interdepartmental Sale form will be used to pay for items purchased from another ISU department, e.g., event tickets, payment for services, rent, or meeting rooms.
- The Independent Contractor form will be used for payment of honorariums, and to pay performers and experts/professionals (e.g., speakers at health conferences) for services rendered. Purchasing will become involved only when there is more than one provider in the marketplace and competition is sought.
- The Journal Voucher form is to be used for corrections to previous transactions.
- All Travel Expenses for University Employees are handled with the Travel Authorization and Travel Reimbursement Request forms.
- Invoices for items purchased with a Purchase Order are to be sent directly to Accounts Payable (Stop 8219).

For additional information and for copies of the forms mentioned above, please refer to the Finance tab in BengalWeb or to the Finance & Administration website: www.isu.edu/finserv.

Additional Information

- Purchasing Services: www.isu.edu/purch
- Finance & Administration: www.isu.edu/finserv
- Tigeri Training & Support: www.isu.edu/tigeri/training
- ISU Faculty and Staff Handbook: www.isu.edu/f-shandbook

*University employees involved in any aspect of the procurement process have a responsibility to understand and abide by procurement rules and laws as stated in the Faculty and Staff Handbook and in the MAPP.*