

STANDARD OPERATING PROCEDURE

SOP TITLE:	WNMU Procurement & Reimbursement Procedures		
SOP NUMBER:	SOP480		
DIVISION / DEPARTMENT:	Business Affairs - Purchasing		
REVIEW DATE:	01-JUL-2024	AUTHOR:	Amy Baca
POLICY REF:	BA480_Procurement & Reimbursement Policy		

STANDARD PROCEDURES FOR: Policy BA480_Procurement & Reimbursement Policy

The following procedures for procurement of goods and services have been in effect since July 1, 1985. These procurement procedures are according to New Mexico State Statute, Chapter 13, Pamphlet 29. Please keep these procedures handy for your use as a reference.

STEPS:	PROCUREMENT PROCEDURES:
STEP 1	<p>No purchase will be allowed without an approved purchase order or P card as a guarantee of payment. Any invoice submitted for payment that does not have an approved purchase order will be forwarded to the appropriate Vice President and/or President for disciplinary action.</p> <p>If approved for payment, a “direct pay form” will be required and the responsible party will need to acknowledge the violation of the procurement code with a written statement. The written statement must detail the events that led to the unauthorized purchase, along with a statement of actions being taken to prevent the repetition of future unauthorized purchases.</p> <p>The statement will require the review and approval of Department Head, VP and/or President. The statement will be included in the procurement file.</p>
STEP 2	<p>Purchase requisitions shall contain the following:</p> <ol style="list-style-type: none"> 1. Proper 13-digit account number(s); 2. Complete vendor name (not initials) - 3. Complete vendor address, phone, and email address are required 4. Description of the physical and/or functional characteristics of the items or services (including, but not limited to model or catalog numbers) to be purchased; 5. Quality where applicable; 6. Quantity; 7. If purchase exceeds small purchase limit and is below the bidding limitations, three identical quotes must accompany purchase requisition.

	<ol style="list-style-type: none"> 8. If purchase requires bidding or request for proposal process, a complete scope of work or detailed list of item descriptions must accompany purchase requisition. 9. Actual dollar amount (Dollar amount determines if quotes or formal bids are needed. See Item I); If a budget revision is needed, the purchase requisition will not be processed and will returned to the department until a completed budget revision form is submitted to Accountant and processed. 10. Dates and location of conference or workshops with complete detailed itinerary; 11. Equipment to be repaired off-site should have serial number and inventory number listed; 12. Any application, subscription or registration forms must accompany the purchase requisition and must be completed and ready to mail with the vendor copy of the purchase order or payment. 13. All authorized signatures must be on the purchase requisition and must be dated. Authorized signatures include department chairs, Vice President's or President. 14. Any incomplete/incorrect requisition will be returned to the appropriate department for corrections.
STEP 3	Open purchase orders, not exceeding small purchase limit may be established each fiscal year for routine purchases.
STEP 4	When ordering items on a trial basis, a purchase requisition must be submitted before Purchasing will place the order. If the items are kept, a purchase order has already been established. If the items are returned to the vendor, please notify the Purchasing Office by email or memo format to un-encumber/close the purchase order.
STEP 5	Please notify the Purchasing Office by email or memo format when a purchase order needs to be canceled. Once closed, the departmental FOAP will then reflect only the appropriate outstanding encumbrances.
STEP 6	<p>If an emergency situation arises, please notify the Purchasing Office within 24 hours for guided instructions on establishing a purchase order promptly.</p> <ol style="list-style-type: none"> 1. The definition of an emergency as per New Mexico Statute 13- I-127B is as follows: "An emergency condition is a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, fire, epidemics, riots, acts of terrorism, equipment failures, or similar events and includes the planning and preparing for an emergency response. The existence of the emergency condition creates an immediate and serious need for services, construction, or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten:

	<ul style="list-style-type: none"> a. the functioning of government b. the preservation or protection of property; or c. the health or safety of any person.:"
STEP 7	<p>Purchases may be made without using the bidding process referred to in item I, if the items or services are under a state pricing agreement with the State of New Mexico General Services Department, in conjunction with another state agency who performed the bidding process to include the university, cooperative agreement, Cooperative Education Services (CES) or the General Services Administration (GSA).</p> <p>The agreement number, agreement term dates and a copy of the agreement must be included with the purchase requisition. This will require some preplanning on the requesting department's part to facilitate the order processing and prompt receipt of items, services or construction.</p>
STEP 8	<p>Pre-payment shall be limited to travel arrangements, "purchase of books and periodicals from publishers" (Library only), maintenance agreements, subscriptions, conference, workshop, and registration fees only.</p>
STEP 9	<p>Direct payments shall be limited to conference registrations, subscriptions, and memberships. A complete purchase requisition with the complete FOAP, approval signatures and detailed supporting document(s), must be submitted to purchasing.</p> <p>The purchasing office will review, verify funding, approve the requisition and send to Accounts Payable for payment processing within 5 working days. A purchase order will not be generated for these procurements. Incomplete requisitions will be returned to the department for correction.</p>
STEP 10	<p>Payments for purchases: New Mexico State Statute 1978 13- I-158 A states, , no warrant, check or other negotiable instrument shall be issued in payment for any purchase of services, construction or items of tangible personal property unless:</p> <ul style="list-style-type: none"> 1. Central Purchasing Office or requesting department certifies that the services, construction or items of tangible personal property have been received. 2. Meet specification
STEP 11	<p>Purchases of goods and services will be made using the following guidelines:</p> <ul style="list-style-type: none"> 1. Tangible goods and non-professional services <ul style="list-style-type: none"> a. -0- to \$20,000 - May be purchased with a direct purchase order or University credit card at the best obtainable price available in the best interest of the university. New Mexico Statute 13-I-125C. b. **\$20,001 to \$60,000 - Must have three identical written quotes from three sperate vendors (Verbal quotes may be

	<p>obtained in cases of emergency a detailed log will be required with the vendor name, date, time, name of individual spoken to with cost). New Mexico Statue 13-1-25 A</p> <p>c. **\$60,001 and above - Formal sealed bid process. New Mexico Statutes 13-1-102 through 13-1- 117.</p> <p>2. Procurement of Professional Services having a value not exceeding Sixty Thousand Dollars (60,000.00), excluding applicable state and local gross receipts taxes, except for the services of architects, landscape architects, engineers or surveyors for state public works projects or local public works projects, in accordance with professional services procurement regulations promulgated by the department of finance and administration, the general services department or a central purchasing office with the authority to issue regulations (per 13-1-125 B NMSA 1978).</p> <p>a. **\$0 to \$60,000</p> <p>b. **\$ 60,001 and above - Formal sealed request for proposal process.</p> <p>c. An approved purchase requisition, with detailed specifications, IRS 20 questions, request for professional service contract and W-9 forms are required.</p> <p>3. **Professional and consultant services such as architects, engineers, land surveyors, and landscape architects) \$60,000 and above - Formal sealed request for proposal process.</p> <p>4. Procurement requirements shall not be artificially divided so as to constitute a small purchase.</p>
NOTE	<p>These procedures are not meant to inhibit the procurement of goods, services and construction. They are intended to be used as a guideline for a legal, professional, and efficient purchase operations plan which protects the University.</p>
PROCEDURES FOR REIMBURSEMENT OF EXPENDITURES	
STEP 1	<p>The University maintains a small petty cash fund for small purchase reimbursement only (not to exceed \$100.00 per day per person). The receipts (approved by the department chair/immediate supervisor) for the petty cash purchase should be submitted for payment within 15 (fifteen) working days. No receipts will be reimbursed if over \$100.00 or if in violation of 15-day time limit.</p>
STEP 2	<p>The following expenditures may be made from appropriated monies providing an approved purchase order exists:</p> <p>1. Expenditures for recruiting new faculty members and administrative officers is limited to the Human Resources Department. The amount of the expenditure may not exceed the university's travel thresh holds and are limited to:</p>

	<ul style="list-style-type: none"> a. Economy transportation for the candidate b. Food and lodging for the candidate c. Meal costs of selected WNMU employees deemed necessary by the President or Vice Presidents in connection with the particular recruiting effort. d. Expenditures for the candidate's spouse will be accepted when their presence is for the benefit of the University as approved by the President. e. Moving expenses will need to be pre-approved and are limited by the President, the Human Resources Office and processed through Payroll. <ul style="list-style-type: none"> 2. Lunches for the Regents, invited guests, Public Advisory Boards, Alumni Board, and other similar boards concerned with University matters when approved in advance by the President. 3. Expenses of consultants made in accordance with the State Procurement Code to render services to the University when approved in advance by the VP, President or designee. This category could include costs of meals for a limited number of University employees (faculty or staff) whose presence is required for the specific occasion. 4. Approval for entertainment costs for distinguished visitors is a function of the President. 5. Official entertaining by the President in connection with University matters and his responsibilities to various constituent such as students, faculty, staff, legislators, Regents, and others.
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REFERENCES / RESOURCES:	BA480_Procurement & Reimbursement Policy
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NOTES:	
(add date of entry)	07-01-2024