

**HOLMES COMMUNITY COLLEGE**



**POLICY AND PROCEDURE GUIDE  
FOR PURCHASING, RECEIVING,  
INVENTORY,  
AND TRAVEL**

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## **Mission Statement**

The mission of the Purchasing Department is to legally and ethically meet the purchasing, receiving, inventory control, and travel needs of Holmes Community College faculty and staff by providing an efficient and effective process to obtain high-quality, but cost-effective goods, equipment, and/or services, allowing them to better meet the needs of their students and/or departments.

## **Purpose**

The purpose of this Policy and Procedure Guide is to establish state purchasing laws, as well as HCC's procedures for purchasing, receiving, inventory, and travel requests, for the acquisition of goods, equipment, contractual services, maintenance contracts, and other needs. Following these procedures will enable the Purchasing Office to meet your needs in a more timely and efficient manner.

Holmes Community College is committed to conducting its business under the highest ethical standards, while striving to be a leader in providing an environment of education and excellence for its students. All faculty and staff, under the leadership of its department heads, are obligated to ensure that college funds are used for education-related purposes, and are expected to exercise their responsibilities with honesty and integrity by following ethical business practices.

If you have a question about these policies and procedures or about the purchasing, receiving, inventory, or travel process, please feel free to ask. The Purchasing Department will be more than willing to help.

## **Contact Information:**

Rosemary Self, Director of Purchasing & Property

Phone: 662.472.9079

Email: [rself@holmescc.edu](mailto:rself@holmescc.edu)

Gloria Benson, Administrative Assistant, Travel & Receiving Clerk

Phone: 662.472.9114

Email: [gbenson@holmescc.edu](mailto:gbenson@holmescc.edu)

Dana Nichols, Accounts Payable Coordinator

Phone: 662.472.9145

Email: [dnichols@holmescc.edu](mailto:dnichols@holmescc.edu)

## **Purchasing Objectives**

Adherence to professional purchasing principles helps to ensure that quality goods and services are obtained in a timely and ethical manner at prices that both minimize HCC's total cost and provide suppliers with a fair, reasonable profit. HCC tasks purchasers/requestors with acquiring materials and services that are:

- Of the right quality
- At the right price
- In the right quantity
- From the right supplier

It is the Purchasing Department's objective to purchase products and services based on merit and the College's overall needs while striving to balance cost, timeliness, quality, technical suitability, and economic diversity.

## **Eight Basic Objectives of the Purchasing Department**

1. Sustain HCC's operations with an uninterrupted flow of goods and services.
2. Encourage a purchasing environment centered on ethics, honesty, and transparency, with fair and impartial award recommendations, a dedication to personal integrity on the part of all purchasing/requesting individuals, and open and honest communications between departments and suppliers.
3. Buy wisely by continuously searching for the most favorable combination of price, quality, and service relative to HCC's needs, not necessarily requests or desires, and reconciling those needs with the capability of suppliers to achieve maximum value at minimum cost.
4. Buy competitively by monitoring market forces affecting availability and pricing.
5. Develop reliable, efficient, and ethical sources of supply among the vendor community.
6. Administer the purchasing function professionally and efficiently to assist HCC in expending funds in the most cost-efficient manner.
7. Minimize inventory loss through the use of efficient control measures, such as annual physical audits, proper transfer/removal documentation, and responsible designated asset assignments.
8. Maintain proper records and controls to provide a thorough audit trail and ensure integrity of all processes.

## **HCC Purchasing Policy**

The Purchasing Department shall be responsible for the procurement of commodities, equipment, and/or services needed by Holmes Community College in compliance with Section 31-7-13 Mississippi Code of 1972 (annotated), and with the policies and procedures established therein, in conjunction with the policies of Holmes Community College.

Completion of the purchasing process involves the joint effort of the Purchasing Department, individual departments, and vendors (sellers). However, the Purchasing Department is the sole authority to conduct and complete agreements concerning prices and conditions of sale, approved by the President, Executive Vice-President, or Business Manager of the college. The Purchasing Department, in accordance with requisitioning and ordering procedures and in compliance with applicable state laws, makes institutional commitments.

Without definite and particular permission of the Purchasing office, no college department may order directly by letter, telephone, fax, email, or any other manner. Holmes Community College will assume no obligations, except on a previously issued and duly authorized purchase order. Any offers placed without a purchase order or placed prior to the award of a purchase order will not be paid for by Holmes Community College and it will be the responsibility of the individual obligating the college to determine the method of payment or return of the merchandise.

You will never break Purchasing Laws if you have a valid purchase order prior to ordering. **Remember: A requisition is not to be used for ordering goods and/or services, only a purchase order.** The Purchasing Department will be glad to work with you and your department in any way that we can, but Holmes Community College Purchasing Policies and the State of Mississippi Purchasing Laws must be followed.

## **Section 31-7-55, Mississippi Code of 1972, Purchasing Law**

- (1) It is hereby declared to be unlawful and a violation of public policy of the State of Mississippi for any elected or appointed public officer of an agency or a governing authority, or the executive head, any employee or agent of an agency or governing authority to make any purchases without the full compliance with the provisions of Chapter 7, Title 31, Mississippi Code of 1972.
- (2) Except as otherwise provided in subsection (4) of this section, any person who intentionally, willfully and knowingly violates the provisions of Chapter 7, Title 31, Mississippi Code of 1972, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than One Hundred Dollars (\$100.00) and not more than Five Hundred Dollars (\$500.00) for each separate offense, or sentenced to the county jail for not more than six (6) months, or both such fine and imprisonment, and shall be removed from his office or position.
- (3) Any person who intentionally, willfully and knowingly violates the provisions of subsection (1) of Section 31-7-57 shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than One Hundred Dollars (\$100.00) and not more than Five Hundred Dollars (\$500.00), or sentenced to the county jail for not more than six (6) months, or both such fine and imprisonment, and shall be removed from his office or position.
- (4) Any person diverting the benefits of any article of value tendered or received by any agency or governing authority to his or her personal use, in violation of Section 31-7-23, if the value of such article be less than Five Hundred Dollars (\$500.00), shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not less than One Hundred Dollars (\$100.00) nor more than Five Hundred Dollars (\$500.00), or sentenced to the county jail for not more than six (6) months, or by both such fine and imprisonment, shall be removed from his office or position, and shall be required to return the money value of the article unlawfully diverted to the agency or governing authority involved. If the value of the article be Five Hundred Dollars (\$500.00) or more, such person shall be guilty of a felony and, upon conviction, shall be punished by a fine of not less than One Thousand Dollars (\$1,000.00) nor more than Five Thousand Dollars (\$5,000.00), or sentenced to the Department of Corrections for not less than one (1) year nor more than five (5) years, or by both such fine and imprisonment, shall be removed from his office or position, and shall be required to return the money value of the article unlawfully diverted to the agency or governing authority involved.
- (5) The provisions of this section are supplemental to any other criminal statutes of this state.

## **Requisition Overview**

All requisitions are submitted via the MyHolmes Portal by a faculty or staff member in Self-Service Banner (Detailed steps are provided in the next section). Once your requisition has been electronically submitted, it will be forwarded to your assigned department head and/or Vice-President for First Level approval. If so approved, your requisition will then be forwarded for Second Level approval by the Executive Vice-President and/or Purchasing Director. If both levels of approval have been satisfied, a purchase order will be issued. The Director of Purchasing will review each requisition to ensure they are handled according to State Law and that all institutional requirements for legal purchases are met. Once this review is complete, the Director of Purchasing will check for sources of supply, competitive prices, and availability of the goods or services being requested, issues the appropriate purchase order, and order the goods and/or services requested.

**Requisitions that do not contain complete vendor information, sufficient product specifics, or other pertinent details necessary to determine order approval will be disapproved. An email will be sent to the requestor and all approving parties indicating the reason(s) for disapproval and a new requisition will have to be submitted.**

## **Budgetary Responsibility**

It is the responsibility of each department to determine that funds are available within the proper expenditure category within that department's budget before a requisition is submitted, including shipping charges. If funds are not available, monies may need to be transferred from one account code to another. It is the responsibility of the requestor and approver to ensure accuracy and completeness of the requisition, including internal data such as correct shipping and valid accounting information. For example, office supplies cannot be ordered from a travel or membership account code. The Executive Vice-President and/or Business Manager will also be responsible in determining that all purchases fall within budgetary means.

No employee of HCC may charge a purchase to the school without the proper execution of a requisition and the subsequent approvals by his/her department head, Vice-President/Executive VP, and the Director of Purchasing.

## ***Emergency/Unforeseen Circumstances***

There will be exceptions, unforeseen circumstances, and/or emergencies. However, failure to anticipate a need in a timely manner does not justify an emergency. The Purchasing Department is available to assist you whenever possible, but we also appreciate your help and awareness regarding the timely and thorough submission and approval of requisitions.

## **Requisition Helpful Hints**

- The requisition process can take up to five business days in order for the appropriate department head, Vice-President, Executive Vice-President, and the Purchasing Director to all grant approval and a purchase order be issued. It is your responsibility to make sure you submit your requisition in a timely manner, allowing for adequate processing time.
- Timely submission is especially important when it comes to renewals or yearly contracts. A requisition should be submitted and a new purchase order should be issued **BEFORE** the next contract period begins, not after services have been initiated or performed. This ensures that we are not violating purchasing law by authorizing for goods or services prior to the issuance of a valid purchase order.
- If you wish to call in your order after the purchase order is completed instead of the order going directly to the vendor, please email the Purchasing Department at the time you submit your requisition to avoid a double shipment.
- Make sure you include any freight or shipping charges on your initial requisition. If in doubt, contact the vendor. This will prevent delays in processing orders, as the vendor must call to get verbal approval or resubmittal of a purchase order prior to shipping.
- Before entering a requisition, please verify that your vendor of choice does accept purchase orders as a form of payment, as well as Holmes Community College's Net 30 Payment Terms.
- Once the purchase order is issued, the requestor should receive a computer-generated copy of the purchase order.
- Rush orders near the end of a budget fiscal year period are discouraged. It is important that requisitions be submitted with sufficient time to purchase goods and/or services and assure delivery and/or completion of orders before the end of the fiscal year, particularly if the item is required to be added to inventory.
- It is strongly recommended that all yearly agreements and contracts follow the academic yearly calendar of July 1<sup>st</sup> thru June 30<sup>th</sup>.
- Once you have submitted a requisition, please forward any quotes, registration forms, or other documentation pertinent to your requisition to the Purchasing Department. **If you reference a quote or estimate on your requisition, please forward a copy to the Purchasing Department for filing purposes.**
- Verify the information on your requisition before submitting. Make sure the shipping address and vendor's address sequence match your intended selection. Make sure the vendor ID is not blank and that all **necessary details** are included in either Document Text or Item text. Vague requisitions with Item Numbers and no descriptions or incomplete descriptions such as "Supplies" will not be processed, but will be disapproved.



## **Banner Requisition Process (Staff Only)**

To eliminate the possibility of error and to ensure that you receive the correct items, requisitions must contain all complete and vital information. Clear and concise information will expedite the ordering, receiving, and invoicing processes.

1. Access the Holmes Community College website [www.holmescc.edu](http://www.holmescc.edu), Click on the MyHolmes link.
2. Click on the Employee icon at the top, then the Financial Portal link in the second box on the left.
3. Select the Requisition link under the Finance tab.
4. The transaction date should automatically be filled in. Make any adjustments to delivery date, as needed.
5. Enter the Vendor ID number and click on Vendor Validate. Code Lookup at the bottom can be used to search for Vendor ID's. For Type, choose vendor from the dropdown list. In Title Criteria, type in a portion of your vendor's name. (You must use standard capitalization form, NOT ALL CAPS). Then follow your vendor name with a % sign. Example: For Central Office Supply, type in Cen% (this will access all vendors that start with Cen). Click the "Execute Query" icon.
6. If your vendor appears, double click on the vendor name. If your vendor does not appear, increase the "Maximum rows to return" from the default of 10 to 25 or 50. If you have exhausted all search efforts, contact the Purchasing Department for assistance or provide new vendor information to be added to the system.
7. Address Type should be PO and the Address Sequence should correspond with the correct address on file for the particular vendor. **(NOTE: This will not always be Sequence 1, as vendors may have multiple locations.)**
8. Verify that the Requestor name, Requestor email and contact information, and Organization information is correct.
9. **VERIFY** that the shipping code is correct. **(NOTE: If you are responsible for ordering goods for other campuses, remember to make adjustments to the "Shipping Code" and "Attention to" box, if needed.)**
10. Click on Document Text to add important information such as dates of special events/meetings, quote numbers, program-related data, check requests, or any information you want your approvers to know. **(NOTE: For auditing purposes, requisitions for items for special events, meetings, etc. must include the date and name of the function and a detailed list of the items for purchase. Snacks and supplies will not suffice.)**
11. Item Text can be used if the description is too long for the commodity line. To add Item Text, select the Item number of the appropriate commodity. **(NOTE: Descriptions should include any pertinent item or identification number and a reasonable description, ex. Item #12345 or Equipment Package are not sufficient data entries.)**
12. Enter the first commodity under the Commodity Description column and press TAB. Requisitions are limited to five line items, so it may be necessary to do multiple requisitions to the same vendor to order additional items. **DO NOT** put anything in the

- “Commodity Code” column. **(NOTE: Requisitions with Item Numbers only or insufficient product descriptions will not be processed, but will be disapproved.)**
13. Click on the dropdown list under U/M and select the appropriate unit of measure, and press TAB.
  14. Type in the unit price and press TAB.
  15. Follow the same procedure for each commodity line.
  16. When you are through entering all your commodities, click Commodity Validate.
  17. Click the circle next to Dollars. Make sure the correct Fund, Organization, Account, and Program is entered. **(Note: if you are trying to order from two or more accounting codes you will have to use two or more accounting lines.)**
  18. Click on Validate and look for any errors. If all information is correct, you should receive the message “Document Validated with no Errors.”
  19. Click the Complete button.

## **Purchasing Procedures**

The purchasing process involves

- Defining the need underlying the purchase request
- Identifying and selecting suppliers
- Administering the Purchase Order or Contract
- Ensuring that all necessary controls are in place and that personnel and vendors are complying with ethical codes of conduct, HCC policies and procedures, and any applicable local, state, and federal laws.

Failure to comply with purchasing policies and procedures may result in disciplinary action up to, and including, termination and prosecution to the fullest extent of applicable local, state, and federal laws.

Whenever practical, the Purchasing Department shall solicit competitive bids or proposals on items which, in its judgment, are susceptible to competition. When purchasing goods on State Contract, a second quote is not needed. However, the State Contract number and/or Material number must be included on the requisition and subsequent purchase order.

## **Purchasing Thresholds**

### ***Purchases – To \$5000***

Purchases which do not involve an expenditure of more than five thousand dollars (\$5000), exclusive of freight and shipping charges, may be made without advertising or otherwise requesting competitive bids. While quote documentation is not required for purchases less than \$5,000, the purchaser/requestor is expected to exercise good stewardship of HCC funds and determine that the selected supplier is competitive with other suppliers offering similar goods.

### ***Purchases - \$5000-\$50,000***

Purchases which involve an expenditure of five thousand dollars (\$5000), but not more than fifty thousand dollars (\$50,000), exclusive of freight and shipping charges, may be made from the lowest bidder without publishing or posting advertisements for bids, provided at least two (2) signed, competitive written bids have been obtained. The term “competitive written bid” shall mean a bid submitted on a bid form furnished by the buying agency or governing authority and signed by authorized personnel representing the vendor, or a bid submitted on a vendor's letterhead or identifiable bid form and signed by authorized personnel representing the vendor. “Competitive” shall mean that the bids are developed based upon comparable identification of the needs and are developed independently and without knowledge of other bids or prospective bids. Bids may be submitted by fax, electronic mail or other generally accepted method of information distribution. Bids submitted by electronic mail shall not require the signature of the vendor’s representative unless required by agencies or governing authorities.

### ***Purchases – over \$50,000***

Purchases which involve an expenditure of more than fifty thousand dollars (\$50,000), exclusive of freight and shipping charges, may be made from the lowest and best bidder after advertising for competitive sealed bids once each week for two (2) consecutive weeks in a regular newspaper published in the county or municipality in which such agency is located. The date for the bid opening shall not be less than seven (7) working days after the last published notice; however, if the purchase involves a construction project such bids shall not be opened in less than fifteen (15) working days after the last notice is published. Specifications pertinent to such bidding shall be written so as not to exclude comparable equipment. If no bids are received, it will need to be rebid.

**NOTE:** Effective January 1, 2018, new legislative action requires that reverse auctions shall be the primary method for receiving bids during the bidding process. However, reverse auctions shall not be used for any public contract for design or construction of public facilities, including buildings, roads, and bridges.

### *Lowest and best bid*

Purchases may be made from the lowest and best bidder. In determining the lowest and best bid, freight and shipping charges **shall be included**. If any governing authority accepts a bid other than the lowest bid actually submitted, it should place on its minutes the detailed calculations reflecting that the accepted bid was determined to be the lowest and best bid, including the dollar amount of the accepted bid and the dollar amount of the lowest bid. No agency shall accept a bid based on items not included in the specifications.

### **Sole Source Provider**

It may be necessary to procure equipment, supplies or service from a sole vendor source. This means that there is only one source of supply for your purchase requirement. This should be the exception rather than the normal rule. Examples of sole source procurement are:

- Items which must be compatible with existing equipment or systems and are available only from the original manufacturer.
- Items that have specific features essential for the completion of the task or project at hand that are available from only one source of supply.

Preference for one vendor, product or service following any market studies, quotation, acquisition or demonstration/testing by a department does not constitute a sole source. Remember that if your requirement is available from more than one source, it is not considered a sole source.

HCC will not consider a sole source letter from the vendor as the primary justification for a sole source purchase, but will use this letter as additional information when considering the request. Consider the following questions when determining if a good or service meets the criteria to be a sole source purchase: (1) Do other companies make similar commodities that will do the same job or meet the same goals? (2) How is this item unique from all others? (3) What can this item do that the others can't? (4) Is this item available from other distributors?

A Sole Source Justification Letter can be obtained from the Purchasing Department and will require vendor's signature. **(NOTE: A sole source purchase must be approved by the HCC Board before a purchase order can be issued. Please make sure you submit documentation to the Purchasing Department in a timely manner to allow for such approval.)**

## **Receiving**

The next step in the purchasing cycle includes the receipt, inspection, and acceptance of ordered goods, material, or service.

Ordered goods should normally be delivered directly to the campus shipping address indicated on the requisition at the time of submission. Occasionally, certain hazardous material, materials that require assembly, or materials that are oversized may be delivered to the Maintenance Department.

Receiving personnel will perform the following duties:

- Verify packing slip information against the corresponding purchase order
- Inspect shipment for obvious damage
- Inspect package content to verify quantity received
- Notify the requisitioning department of any damages or inconsistencies
- Label packages for courier delivery to the designated ordering department

The ordering department is responsible for the final inspection of the goods, material, or service received. Upon receipt of delivery, departments are urged to immediately examine the contents of shipments for conformity to their outstanding purchase order. Once this is accomplished, the requestor or ordering department should email the Purchasing Department, providing the purchase order number and requesting release for payment. It is important that this is done in a timely manner to allow the Accounts Payable Department to meet the Net 30 payment terms referenced on purchase orders.

## **Invoices and Payments**

Checks are usually processed on the 10<sup>th</sup> and 25<sup>th</sup> of each month. If you are needing payment to be made by a specific time, please be aware of these dates and submit requisitions accordingly to meet any timeline issues. This will allow the Purchasing Department ample time to issue a purchase order and the Accounts Payable Department ample time to cut a check.

### **Invoices**

All invoices and receipts (not quotes, packing slips, or shipping tickets) should be forwarded to Dana Nichols, Accounts Payable Coordinator at [dnichols@holmescc.edu](mailto:dnichols@holmescc.edu) for payment. Invoices should contain the purchase order number and should reflect the items or services referenced on that purchase order. If an invoice is forwarded to the Business Office, it is still the requestor's responsibility to notify the Purchasing Department by email that the relevant purchase order should be released for payment.

### **Check Requests**

All requisitions that require a check to be cut by the Business Office must have an invoice, statement, or registration form attached before a payment can be processed.

Specific instructions can be included in Document Text of your requisition regarding check requests (ex. mail check to a certain location, hold check for your pickup, etc.), or by email to Dana Nichols, Accounts Payable Coordinator at [dnichols@holmescc.edu](mailto:dnichols@holmescc.edu).

### **Repairs and Services**

Requisitions should contain all items to be repaired and/or serviced. These items should be identified by name, property number, location, and/or serial number, if no property number is applicable.

Holmes Community College will not be responsible for repairs on equipment or goods or services not identified on the requisition/purchase order. If a requisition is done for repair or service based on an estimate, it is the requestor's responsibility to inform the Purchasing Department of any change orders that may be required before the vendor performs the additional duties.

Invoices should contain the purchase order number, identify the equipment (property number, if available or serial number), and list specific repairs made, parts identified by number or name, supplies used in such repairs, and the number of hours of labor required. If invoices for repairs and/or services are forwarded to the Business Office, please notify the Purchasing Department by email that the relevant purchase order can be released for payment.

## Inventory Control

All equipment or assets obtained by the college is subject to the college's control and may be disposed of only in accordance with established college policies and procedures. Equipment or assets obtained by the college includes that which is purchased with college, grant or contract funds, federal or state funds whether from public or private entities, items received as a gift, or obtained by other means. Departments obtaining equipment or assets are responsible for its use, maintenance, safeguarding, and requests for disposal. Departments are also responsible for documenting and updating any record changes pertaining to equipment or assets, such as transfers, loans, disposals, theft, etc.

Proper and effective inventory control requires the joint effort of all employees and ensures that the Purchasing Department, as well as HCC employees, maintain accurate information and proper tracking of all Holmes Community College and Career-Technical assets.

In order for HCC to remain a successful higher education provider and with the ever-increasing need for computer and technological equipment, property control is a mandatory and essential task. This responsibility requires a total team effort. The Office of the State Auditor designates the items and threshold restraints needed to determine whether an item should be placed on HCC's record of assets. As such, Holmes Community College and its employees are held accountable by the state of Mississippi for equipment that is assigned to us, individually and conjointly. An accurate inventory also ensures HCC's availability for continued support by government grants, contracts, and appropriations. **For this reason, it is imperative that HCC property not be moved from its assigned location and/or individual without proper documentation.**

Yearly physical audits will be performed by a member of the Inventory team of all Holmes Community College and Career-Technical recorded assets. All personnel are advised to periodically verify the location and condition of the equipment for which they are responsible. Inventory Control personnel and contact information for individual campuses are as follows:

### Grenada Campus, Ackerman, Winona, and Eupora Sites

Trent Little  
662-227-2384  
[tlittle@holmescc.edu](mailto:tlittle@holmescc.edu)

### Ridgeland Campus

Joy Kellum  
601-605-3307  
[jkellum@holmescc.edu](mailto:jkellum@holmescc.edu)

### Goodman Campus, Kosciusko Center, Yazoo City, Lexington, Vaiden, and Canton Sites

Rosemary Self  
662-472-9079  
[rself@holmescc.edu](mailto:rself@holmescc.edu)

## Inventory Guidelines

According to the Office of the State Auditor, all institutions are required to maintain a complete and current inventory list of **ALL** property item which costs \$1,000.00 or more, unless the items purchased fall within the exception groups listed below. These items will be reported as equipment regardless of their purchase value:

Two Way Radio Equipment	Any Cost	Motorized Vehicles	Any Cost
Chain Saws	Any Cost	Lawn Maintenance Equipment	Any Cost
Air Compressors	Any Cost	Cellular/Satellite Phones	Any Cost
Welding Machines	Any cost	Cameras & Camera Equipment (Over \$250)	Over \$250
Generators	Any cost	Televisions/Video Monitors (Over \$250)	Over \$250
Weapons	Any cost	Computer & Computer Equipment (Over \$250)	Over \$250

The requestor and/or operating department is responsible for informing the Purchasing Department that any of the above referenced inventory items have been received. An Inventory Control person will ensure a HCC asset sticker is placed on the item and that it is added in the inventory system. Please make sure that you provide all relevant information when you acknowledge receipt of equipment for release of payment. Information that will be needed is:

- (1) Purchase order number
- (2) Vendor
- (3) Serial number
- (4) Total cost of equipment
- (5) Location (campus, building, room, and person to whom equipment should be assigned in the inventory system)

Items purchased for departments by the HCC Foundation are subject to the same inventory controls guidelines as any other purchased goods. Departments are responsible for reporting these items to the proper inventory control person on their campus, with a complete description of the item, cost, etc. or a copy of the Foundation purchase order. The exceptions to the \$1,000.00 rule include the same items listed above for regularly purchased inventory items.



## **Physical Audits**

A physical in-house inventory of HCC owned property will be performed yearly. The basic principle behind yearly audits is the accountability of the administrative head of each budget department for **ALL** the inventory property in the possession of his/her department and/or employees. Yearly physical audits also aid in the control of losses due to theft and neglect. Audits are utilized to ensure all items listed on the departmental inventory are properly tagged, assigned to the correct location and person, and to recognize any necessary changes that need to be made in the asset system. It is the responsibility of the departmental property representative to locate each item to which he/she is assigned on the inventory printout. A follow-up audit may be required in the event that inventory items could not be located during the initial audit. Audits may also be performed at more frequent intervals if a department continuously fails initial audits or exhibits lack of accountability related to stewardship of property in their care.

NOTE: No equipment or property considered part of HCC inventory should be used for personal use or removed from campus for personal use, unless required within the scope of the employee's duties. Certain departments, such as the library or IT center are authorized to loan equipment and material as part of their operations, but must maintain appropriate control policies and procedures.

## **Missing, Stolen, or Disappearance of Equipment**

It is the responsibility of the department using or assigned property to protect the asset against loss, damage, and unauthorized use. The department should notify Campus Police immediately following the discovery of theft, loss, or disappearance of HCC-owned equipment and obtain an incident report. The department should complete an Inventory Missing Form, explaining in detail the circumstances of the loss, theft, or disappearance. This form must also be signed by the appropriate department head/supervisor and forwarded to the Purchasing Department for auditing purposes.

## **Repairs**

Records should be kept on any item sent to be repaired. This record should state where the equipment will be sent, the vendor, the HCC asset number, date, serial number, description, shipping/repair number or receipt. Inventory Control personnel should be notified prior to shipping for tag removal and documentation. Departments should check on the property status and notify the proper inventory personnel if the item is returned, replaced, or lost in shipment. Sometimes the costs of repairs exceed the value of the item. Departments should determine whether the property warrants the cost of repairs. All requisitions and/or purchase orders issued for repairs of HCC owned property should include the inventory number and/or serial number.

**NOTE: No item(s) listed on inventory should be sent off-campus for repair without first notifying the Inventory Control person assigned to their respective campus.**

## **Inventory Forms**

Transfer forms must be received by the respective Inventory Control person **PRIOR** to moving or transferring any equipment or asset. Removal forms must be received by the respective Inventory Control person and approved by the HCC Board **PRIOR** to the removal or disposal of any equipment or asset. If you are in doubt as to whether an item is listed on inventory, please contact an Inventory Control person for clarification. Inventory forms can be obtained via the MyHolmes portal by selecting the Employee icon, clicking on Business Office Forms under the Quick Link section, and selecting the appropriate Inventory Form from the list at the bottom of the screen, or by clicking on the following link:

[http://www.holmescc.edu/business\\_office/faculty\\_docs.aspx](http://www.holmescc.edu/business_office/faculty_docs.aspx)

## **Transfers**

The individual to whom the equipment is assigned shall initiate transfer paperwork. The recipient, or the individual to whom the equipment is being transferred to, must also sign the transfer form. These signatures indicate that you are releasing the equipment and/or that you are assuming responsibility for the specific piece of equipment or asset. For compliance purposes, please make sure forms are physically signed by the appropriate responsible individual.

The transfer form must have the correct locations from where it is being moved from and to where it is being moved to. Be specific on locations (building, room number, etc.). The assigned asset property number must be included on the transfer form.

**Do not** move the equipment or asset until **all** paperwork has been completed and properly processed.

## **Transfers as a Result of Employment Change**

This must be done when an employee transfers from one department to another, retires, or resigns from Holmes Community College. Prior to a change, the appropriate Vice President, Dean, or Department Head shall delegate the responsibility of performing a physical inventory of any assigned inventory to resolve any discrepancies prior to an employee's departure from HCC. A formal report of the physical inventory can be requested from the Purchasing Department and must be completed as part of the Exit Interview process. Once a position is filled, a revised transfer form should be completed and signed by the new or transferring employee, acknowledging responsibility for all applicable inventory items. The signed and completed form shall then be submitted to the Purchasing Department for appropriate updates to ownership in the inventory system.

## **Removals**

There must be a valid reason to remove property from HCC Inventory, such as damaged beyond repair or obsolete. The removal process is not to be used simply because a particular piece of equipment or asset is no longer wanted.

The removal form must be filled out and approved by the appropriate personnel. **Do not** move the equipment until **all** paperwork has been completed and properly processed. **Remember:** Removals require approval by the HCC Board and President before they are considered complete and ready for removal/disposal. When all paperwork is complete and Board approval has been received, the equipment will be collected for removal/disposal.

**NOTE:** All requests for removal of computer equipment from inventory must be signed off by the IT department on your campus. No furniture or equipment may be destroyed or discarded without coordinating with proper inventory personnel and following proper removal procedures.

Removed assets and/or equipment deemed obsolete or of no further value to Holmes Community College by Board approval may be placed for sale on [www.GovDeals.com](http://www.GovDeals.com) by Inventory Control personnel. No employee of Holmes Community College shall participate as a purchaser, directly or indirectly, at any sale listed by Holmes Community College.

## **HCC Travel Procedures**

All reasonable and necessary expenses for official travel incurred by HCC employees shall be reimbursed according to the laws of the State of Mississippi. The penalty for presenting fraudulent claims is a fine of no more than \$250.00, civil liability for the full amount received illegally, and, in addition, removal from office or position held by the person presenting such claim (Section 25-3-45, Mississippi Code 1972).

Each employee required to travel in performance of official duties should have prior authorization from the department chair and/or other designated officials, before a reservation can be made. For out-of-state travel, the travel request form **must** also be signed by the HCC President. Please make sure the signed request form is submitted in advance to allow for ample time in making reservations. Also, please ensure that the form is filled out completely, including Organization and Account Codes. Purchase orders will not be issued for travel-related expenses.

**NOTE: It is the traveler's responsibility to furnish all required information to the Travel Clerk for reservation purposes, prior to arrangements being made. This includes signed authorization forms.**

The information needed for hotel reservations includes the date(s) of check-in and check-out, number of rooms needed, names of individuals needing rooms, and the preferred hotel's name and phone number.

The information needed for airline reservations includes the employee's name as it appears on his/her driver's license, date of birth, cell phone number, preferred airline and flight number, and departure/arrival times.

Bus Charters for coaches and teams also require a signed travel form and the date(s) and location of the events, etc.

**It is the employee's responsibility to provide the Travel Clerk with any special discounted hotel rates, conference-related blocked room rates, or other pertinent information at the time the travel request is made. Also, employees should notify the Travel Clerk of any cancellations to previously made travel plans. Please make sure ALL hotel receipts are promptly forwarded to the Purchasing Office upon return.**

## **Ethics**

As employees of HCC, we are ethically obligated and required to adhere to a professional code of conduct to act with integrity, consistency, and without bias. All HCC employees are to be good stewards of and properly manage College funds, and it is expected that all employees will comply with this policy.

## **Conflict of Interest**

It shall be a breach of ethical standards for any employee to participate directly or indirectly in a procurement when the employee knows that:

1. The employee or any member of the employee's family has a financial interest pertaining to the procurement;
2. A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
3. Any other person, business, or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

## **Donations or Contributions**

Purchasing decisions should in no way be influenced by donations or contributions made by businesses with whom HCC may or may not do business. Donations and contributions should come without any expectation of preferential treatment during any purchasing activity. Any HCC personnel who gives a supplier preferential treatment based on their status as a donor has violated College policy, committed a serious ethical violation in cases where private funds are used for the purchase, and violated federal or state laws in cases where those applicable funds are used.

Any donation of HCC property must be approved by the Board and removed from inventory, if applicable, prior to being offered to another source, institution, agency, etc. A signed letter of donation and a signed letter of acceptance from the recipient must be sent to the Purchasing Department for inventory and auditing purposes.

## **Disallowed and Allowable Purchases**

To ensure proper stewardship and use of College funds and to ensure all HCC employees are treated equitably on a consistent basis, the following restrictions and guidelines should be strictly adhered to.

### **Disallowed Purchases**

HCC funds should not be used for the following purposes:

- Any purchase that reflects unfavorably upon HCC and its core values, such as alcoholic beverages.
- Personal gifts to faculty, staff, students, vendors or regents. Gifts to students may have an unintended effect on financial aid, and gifts to faculty, staff, vendors and regents may have taxable income consequences and/or create reporting requirements. Prohibited gifts include, but are not limited to, any and all forms of property, including money, most gift certificates, and tangible personal property.
- Non-work related departmental, school/college, or divisional luncheons, dinners, or parties, celebrations, or receptions. Examples of such events include, but are not limited to, birthdays (group or individual), anniversaries, childbirth, adoption, engagements, weddings, baby showers, housewarming, etc.
- Solicited/unsolicited donations or political contributions.
- Coffee itself cannot be purchased in any form as a packaged unit.

### **Allowed Purchases**

Work-related luncheons, dinners, or other celebrations may be held on an infrequent basis to recognize the accomplishment of a major goal or to promote enhanced working relationships, ex. a dinner to welcome new faculty members, a luncheon to recognize administrative assistants on Administrative Professionals Day, a campus-wide informative meeting. In holding such events, budget managers are expected to be good stewards of the HCC's resources. When submitting a requisition for any of these events, please include the name of the event, the scheduled date, the estimated number of attendees, and a detailed list of the items intended for purchase in Document or Item Text, for auditing purposes.

Coffee pots, microwaves, refrigerators, etc. may be purchased via purchase orders if they are for faculty/staff break rooms. However, coffee itself cannot be purchased with a purchase order. It can be provided as a beverage service by a catering provider, but not as a packaged item.

In limited circumstances, commemorative plaques or awards may be purchased as honorary or informal recognition of a person's contribution or accomplishment to HCC.

## **Gift Cards**

All gift cards purchased with College funds must be for a lawful purpose that supports the mission of Holmes Community College. Gift cards cannot be used for employee gifts or purchases, or for student academic awards. If a specific program/project or Grant Funds allows an opportunity to receive a gift card as a monetary incentive, this **must** be notated on the originating requisition. Each Departmental Card Administrator will be responsible for **all** gift cards purchased, held, and distributed within their department. A disbursement log shall also be kept that records the serial number of the gift card(s), the date purchased, the date awarded, the monetary value of the card, purpose of payment, and the recipient's full name. The purchase of gift cards must comply with applicable public procurement laws. Therefore, any purchase of gift cards greater than \$5,000 must have at least two quotes, prior to a purchase order being issued.