

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

Gloria Benson, Administrative Assistant, Travel & Receiving Clerk

Phone: 662.472.9114

Email: gbenson@holmescc.edu

Nancy Langford, Accounts Payable Coordinator

Phone: 662.472.9145

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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 1st thru June 30th.
- 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 the Public Comment boxes. 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, Click on the MyHolmes link.
2. Scroll down to Employee Essentials, then select the Financial Portal (Requisitions) link.
3. Select the My Requisition link under the My Finance options.
4. Click on the blue Create Requisition box.
5. The Requestor Name, Email, Transaction Date, and Organization should automatically populate. Enter a Delivery Date, which can be any date later than the transaction date.
6. Verify that the “Ship to Location” field is correct for your campus.
7. If you are responsible for ordering goods for other campuses, remember to make any necessary changes to the “Attention To” and “Ship To Location” fields.
8. The Public Comment box can be used 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 or supplies will not suffice as a commodity description.)**
9. Any information entered in the Private Comment box will not print or carryover. Use this box for your notes only.
10. After verifying entries, click on the blue Next button at the bottom of the screen.
11. Click in the Choose Vendor box and type the name of your vendor. Once your vendor selection appears in blue, click on it and it will be populated on your requisition form. If a vendor has multiple addresses, make sure you select the right one. Note: Banner is specific, you will need to know whether you are looking for MS, Mississippi, Miss, etc., in a vendor’s name. Then, select the blue Next button at the bottom of the screen.
12. If your vendor does not appear or you need a new vendor to be added, have the vendor send a W9 to Nancy Langford in the Business Office. She will add them to the system and they will be assigned a Holmes ID vendor number. **(NOTE: The Vendor ID MUST be present on your requisition. Incomplete requisitions may be disapproved.)**
13. To enter the first commodity, click Choose Item and type your description. You will have to click the blue description field in order to add the item to your requisition. Do not put anything in the “Tax Group” field. **(NOTE: Descriptions should include an identification number and a reasonable description, ex. Item #12345 or Equipment Package are not sufficient data entries. Requisitions with Item Numbers only or insufficient product descriptions will not be processed, but will be disapproved.)**
14. Click on the dropdown list under U/M and select the appropriate unit of measure.
15. Type in the Quantity and Unit Price.
16. Follow the same procedure for each commodity item.
17. The Public Comment box can be used if you need more space for the commodity description.

18. Click the blue Save button at the bottom and repeat the same process to add additional commodities. Once all commodity items have been entered, click the blue Add Accounting button at the bottom.
19. Most fields will populate automatically. If you order for multiple Organizations, you will need to adjust as necessary. Select the appropriate Account Code for your items. (**Note:** General Checking ledger numbers cannot be used for purchase orders. Account numbers normally start with a “7” or “8” for most requisitions.)
20. Once you click Save, you should see a green 100% to the right. If you need to use multiple accounts on your requisition, select Split Accounting and enter the distributions necessary.
21. Your requisition number should appear at the top right, for reference purposes. Once funding equals 100%, click the blue Submit Requisition 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 – Not Over \$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 – Over \$5000 But Not Over \$75,000

Purchases which involve an expenditure of Five Thousand dollars (\$5000), but not more than Seventy-five Thousand dollars (\$75,000), 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 \$75,000

Purchases which involve an expenditure of more than Seventy-five Thousand dollars (\$75,000), 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. Consider the following questions as part of the justification for 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?

Updated Regulations Regarding Sole Source Purchases

In order to continue to meet the stringent regulations pertaining to single source purchases and emergency purchases by state agencies and institutions, HCC will not consider a Sole Source Letter from a vendor as the primary justification for a sole source purchase, effective January 1, 2020. The following is an overview of the state required guidelines for sole source purchases:

Any agency seeking sole source procurement authority for commodities shall advertise in the same manner provided in Section 31-7-13(c), Mississippi Code of 1972, Annotated. Such advertisement shall direct vendors to the procurement portal website where the agency shall publish for a minimum of fourteen (14) days the terms of the proposed sole source procurement. The portal publication shall include, but is not limited to, the following information:

1. A description of the commodity that the agency is seeking to procure; [department to complete]
2. An explanation of why the commodity is the only one that can meet the needs of the agency; [department to complete]
3. An explanation of why the source is the only person or entity that can provide the required commodity; [department to complete]
4. An explanation of why the amount to be expended for the commodity is reasonable; [department to complete]
5. The efforts that the agency went through to obtain the best possible price for the commodity; [department to complete]
6. Procedures for any person or entity that objects and proposes that the commodity published on the procurement portal is not sole source and can be provided by another person or entity. These procedures shall direct the objecting person or entity to notify the agency that published the proposed sole source procurement request with a detailed explanation of why the commodity is not a sole source procurement. If such an objection has been raised, the agency shall follow the following steps:
 - a. If the agency determines after review that the commodity in the proposed sole source request can be provided by another person or entity, then the agency must withdraw the sole source request publication from the procurement portal website and submit the procurement of the commodity to an advertised competitive bid or selection process.
 - b. If the agency determines after review that there is only one (1) source for the required commodity, then the agency will submit proper documentation to obtain HCC Board approval of the purchase.

Once the procedures listed above have been followed, and an item has been certified as a single source item, the item may be purchased without complying with provisions for competitive bidding. If the item can be provided by another person or entity, then competitive bids will be evaluated and/or reverse auction held, per legislation enacted January 1, 2018.

NOTE: ALL SOLE SOURCE PROCUREMENTS REQUIRE THE ADDITIONAL APPROVAL OF THE HCC BOARD. MAKE SURE YOU ALLOW AMPLE TIME FOR THE ADVERTISING PROCESS, EVALUATION OF BIDS, REVERSE AUCTION, IF REQUIRED, AND BOARD APPROVAL WHEN CONSIDERING THE PURCHASE OF A SOLE SOURCE ITEM.

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 10th and 25th 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 Nancy Langford, Accounts Payable Coordinator at nlangford@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 Nancy Langford, Accounts Payable Coordinator at nlangford@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

Ridgeland Campus

Joy Kellum
601-605-3307
jkellum@holmescc.edu

Goodman Campus, Kosciusko Center, Yazoo City, and Vaiden Sites

Rosemary Self
662-472-9079
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

Transfer Procedure

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.

Removal Procedure

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 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 at least 7 days in advance to allow for ample time in making reservations.** Travel requests not made at least a week in advance may result in the employee being responsible for travel costs, with reimbursement upon return. 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.

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, hotel name, location, phone number, any hotel or conference-related block room rates, and any other pertinent information. For group or departmental travel, please submit all signed individual travel forms to the Travel Clerk simultaneously. This enables the Travel Clerk to make one hotel reservation, simplifying the booking process and helping to obtain any possible group rates.

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.

Employees are responsible for notifying 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.

NOTE: Once hotel/travel accommodations are made, you will receive a confirmation email. It is your responsibility to contact the hotel at least 48 hours prior to your check-in time to verify that reservation and payment information is on file. If the hotel needs any documents resent, such as the credit card authorization or tax exempt form, please contact the Travel Clerk, Gloria Benson at gbenson@holmescc.edu, or 662-472-9114. If you do not verify your check-in information with the hotel prior to arriving and your information is not located in their system, you will be responsible for travel costs and may request reimbursement upon your return with an itemized receipt

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.

Any contribution of goods or equipment to HCC should be accompanied by a letter of donation from the providing entity, confirming that no goods or services were received in exchange. The letter would need to include the estimated value of the items, for fixed assets purposes. HCC would need to provide a letter of acceptance to the donor. A copy of the donation letter and letter of acceptance should be forwarded 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.