

San Carlos Apache College

FINANCE AND OPERATIONS

POLICIES AND PROCEDURES



December 15, 2021

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION I: FINANCE OFFICE MISSION STATEMENT

(forthcoming)

**SECTION II: PURPOSE OF FINANCE AND OPERATIONS
POLICIES AND PROCEDURES**

This manual presents the policies and procedures governing the business relationships and procurement transactions of San Carlos Apache College (SCAC) with suppliers offering goods and services to the College for purchase, lease, or rent. The primary purpose of this manual is to ensure the institution uses the proper internal control policies and procedures to optimize cost effectiveness and efficient in its operations. The guidelines, requirements, and responsibilities set forth in this manual are institution-wide in scope and apply to each level, role, department, and location.

**SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES**

TABLE OF CONTENTS

SECTION	Page
I. Finance Office Mission Statement	2
II. Purpose of Finance & Operations Policies and Procedures	2
III. Purchasing Cycle	4
A. Policies	4
B. Procedures	7
IV. Competitive Purchasing	11
A. Purpose	11
B. Requirements for Competitive Quotations	11
C. Bid, Quotations, and Proposals	11
D. Tribal Employment Rights Ordinance (TERO)	12
E. Quotations, Sole Source, and Emergency Procurements	12
F. Requests for Proposals (RFPs) and Sealed Bids	13
V. Credit Cards	16
VI. Travel Expenses	19
VII. Inventory	23
APPENDICIES	Page
Appendix A – Definitions	26
Appendix B – Roles and Responsibilities	28
Appendix C – Contracts	30

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

SECTION III: PURCHASING CYCLE

The College's Board of Regents has established budgetary control policies and procedures for the proper management and reporting of the institution's income and expenditures, competitive purchases, investments, inventories, and grants.

POLICIES

1. The Board of Regents and President delegate procurement authority to the Chief Financial Officer.
2. The College will procure all goods and services on the best terms possible, at the lowest overall cost, and consistent with an appropriate level of quality. Acquisition will be without favoritism and on a competitive basis, whenever practical, to obtain the maximum value for each dollar expended. All interested vendors and contractors will receive fair and impartial consideration.
3. All purchases will be made with *prior authorization* and according to the policies and procedures in the SCAC Purchasing Policies and Procedures Manual (3PM). The College will reserve the right not to reimburse employees making purchases when the actual date of purchase is prior to the purchase order date.
4. In instances where prepayment is required, documentation must be attached to the request fully justifying the need for prepayment. A minimum of two working weeks (10 workdays) is required in order to have sufficient time to prepare a check or other form of payment, even when using the *Collect on Delivery (COD)* approach.
5. The College will provide the maximum practical opportunity to Apache, minority, and women owned businesses to participate as suppliers, vendors, or contractors in the provision of goods and services to the College.
6. Any form of discrimination is strictly prohibited in the awarding of business contracts (the purchase of goods and services from vendors and contractors).
7. All employees must act in accordance with the limits of their authority. Any questions concerning the ramifications of the formation, or language, of any oral or written agreement should be reviewed with legal counsel of the College prior to the presentation or execution of the agreement. No individual has the authority to enter into purchase agreements or contracts, or to obligate the College for any purchase, unless specifically authorized to do so by the Finance Office. Any such negotiations are considered unauthorized purchases and the individual will be held personally responsible for the obligation to the vendor or contractor.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

8. Bidding procedures, for purchases in excess of \$10,000, are established in accordance with prescribed College and Federal regulations and will be followed.
9. Delegations of signature authority are established to facilitate and safeguard the processing of financial transactions and check signing. All SCAC checks require one (1) signer. The Board of Regents designates check signers based on the president's recommendation. All checks of \$40,000 or more require the signature of a board member.
10. All requisitions are submitted through the supervisor and shall require the approval of at least one person not representing the division from that which the request is made.
11. The College will follow appropriate oversight and controls that prevent unauthorized use of signature mechanisms, ensure electronic signatures are unique to the person authorized, and restrict use of signature authority to the person whose signature is represented.
12. Vendors and contractors doing regular business with the College are made aware of the policy in writing and are advised that all purchases or services chargeable to the College must be authorized by an official College purchase order and have the authorization signatures from the Finance Office.
13. The College does not purchase goods or services for the personal use of its employees. The College is not obligated to pay for any unauthorized purchases. Unauthorized purchases become the personal obligation of the individual who makes these purchases.
14. Employees conducting business transactions on behalf of the College hold a position of trust, which dictates that their actions be governed by the highest standards of personal and professional conduct and ethical behavior. All employees will follow fully all the tenants of the SCAC Conflict of Interest policy.
15. Any employee of the College, or relative of an employee, who has a substantial interest in any contract, sale, purchase, or service to the College shall make known that interest to the Chief Financial Officer and shall refrain from participating in any manner as an officer or employee in such contract, sale, or purchase.
16. No employee of the College shall supply any equipment, material, supplies or services pursuant to the award or contract unless as a result of properly conducted public competitive bidding or a formal written quotation.
17. Purchase orders will be prepared for all College expenditures except for excluded items such as salaries and related costs, and in-state travel. No purchase(s) will be made without a signed purchase order. Any unauthorized purchase becomes the obligation of the individual who made the purchase.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

18. Blanket purchase orders may be used for purchases of a recurring nature. The original purchase order number will be used for the purchase. Blanket purchase orders will indicate a definite period covered and a specified expenditure limit. The blanket purchase order shall not exceed \$5,000 in one fiscal year without a competitive process.
19. Delivery of goods and services will be documented through “receiving reports” with the exclusion of exempted items. The date of receipt, and the quantity received, will be recorded in the accounting system.
20. Credit memoranda will be processed promptly, either by deduction of the credit amount from a subsequent invoice from the vendor or contractor, or by receipt of a refund check within the fiscal year.
21. Requests for supplies or equipment to be returned to the vendor for adjustment or credit must be cleared by the Finance Office.
22. Checks made payable to "cash" or "bearer" are absolutely prohibited.
23. All vendor or contractor invoices must be promptly cancelled when paid to prevent duplicate payments.
24. Reversions of federal or other grant funds will be processed only upon receipt of written notification from the granting agency. All reversions will be processed using the regular and approved disbursement procedures.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

PURCHASING CYCLE

Performed by

Procedure

Requester	1. Follows “create requisition” instructions including: entering purchase information, selecting cost center in approval track, linking back-up, supporting documents for purchase and submitting for approval.
Supervisor Project Manager	2. Based on the approval track unit selected by the Requester, Supervisor reviews requisitions to ensure the completion of all applicable information. 3. Verifies that all required procurement procedures have been followed. (See Competitive Purchasing) If all required documentation is not included, the requisition will be denied and returned to the Requestor for proper completion. If quote requirements are not met, the Supervisor indicates the deficiency in the Notes. 4. Submits purchase requisitions to Controller for review and approval of purchase.
Controller/President	5. Approves properly completed requisitions and President reviews and approves all purchases of \$10,000-or more.
Controller	6. Reviews electronic requisitions for propriety of account codes, for budget capacity and competitive purchasing documents, if applicable.
Chief Financial Officer	7. Once all requirements are met, converts the purchase requisition to a purchase order.
Accountant	8. Accesses file copy of PO and maintains copy in A/P pending file.
Vendor	9. Fulfills and delivers goods to Central Receiving.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

Performed by	Procedure
Central Receiving Office	10. Receives goods. Verifies receipt in accounting software. Matches receiving copy of purchase order to vendor packing slip and submits it to the Finance Office.
Accountant	11. Verifies mathematical accuracy of vendor invoice. 12. Posts accounts payable to computer. Verifies that total invoices match the expenditure listing. 13. Prepares report on Unpaid Bills and submits it along with supporting documents to Finance.
Chief Financial Officer	14. Receives and reviews reports on Unpaid Bills, indicates the bills to be paid, and returns report to the Accountant.
Accountant	15. Prepares checks, cancels vendor invoices, and forwards checks and supporting documents to authorized signer.
Authorized Signer	16. Reviews supporting documentation, signs checks, and forwards all items to Administrative Assistant.
Administrative Assistant	17. Mails checks and forwards check vouchers with supporting documents to the Finance Office.
Accountant	18. Attaches check vouchers to supporting documentation, and files all documents in vendor file for safekeeping for a minimum of five years. The supporting documents include: 1) signed and approved PO; 2) quotes/requests for purchase/flyers; 3) packing slips/proof of delivery; and 4) invoices and credit memoranda. 19. Generates a weekly listing of vendor year-to-date total expenditures. Reviews listing and identifies/highlights vendors approaching competitive purchasing thresholds. Forwards list to the Controller.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

Performed by

Procedure

(BANK RECONCILIATION PROCEDURES)

Controller

- 20. Receives vendor year-to-date listing and uses during the requisition preparation process to approve or deny purchase requests.
- 21. Receives unopened monthly bank statements or directly accesses electronic bank statements and reviews balances, checks, deposits, transfers, and credit card charges. Any discrepancies are promptly investigated and resolved.
- 22. Completes reconciliations within two weeks of month end. Enters dates, and initials monthly bank statements. Forwards all bank statements and all related bank reconciliations to the Chief Financial Officer.

Chief Financial Officer

- 23. Reviews and initials bank statements and reconciliations.

(CANCELLATIONS/ERRORS)

Accountant

- 24. Reviews files of open purchase orders to follow up with Supervisors on anything that has been pending for more than 30 days.

Finance Office

All requests for the cancellation or modification of purchase orders (before shipping) must be directed to the Finance Office by an authorized individual in the form of a written memorandum. Reasons for the request should be stated with reference to the purchase order number and vendor.

Since a purchase order is a legal document, it can only be canceled by mutual agreement with the vendor and the Finance Office. There may be cancellation fees if the vendor has expended money to fulfill the order, with the payment of any cancellation charges being the

**SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES**

responsibility of the requesting unit or office of the College.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION IV: COMPETITIVE PURCHASING

A. Purpose

The competitive quotation procedure will be used to invite suppliers and contractors to offer a price quotation for specific goods or services. The primary objective of this procedure is to obtain goods or services at the lowest overall cost commensurate with an acceptable level of quality in these good or services.

B. Requirements for Competitive Quotations

The requirements for competitive quotations depend upon the total cost of goods or services to be procured during the term of the agreement; such cost may be incurred either at one specific date, or over a period of time, as in the case of a lease or rental agreement. The total cost of a transaction cannot be fragmented into several purchases to circumvent the requirement for competitive quotations. Also, purchases of the same services or items may not be split between different vendors with the intention to keep total cost for each vendor under a procurement threshold. For example, the purchase of paper cannot be split between two vendors to avoid adhering to procurement policy.

C. Bids, Quotations and Proposals

A purchase order shall be awarded to the lowest responsible and responsive bidder whose bid conforms in all material aspects to the requirements and criteria set forth. When obtaining bids, quotes or proposals, taxes and if available, shipping costs are to be included in the bid, quote and proposals.

A request for quotation shall provide the same specifications and requirements to each supplier. Requests for quotation should not be made in language that could reasonably be construed as an offer on the College's part to enter into a procurement agreement. A supplier's quotation should be received without obligating the College to accept it until the College has reviewed it thoroughly and officially approved it.

A request for quotation package is used to obtain written quotations for goods or services that will be procured through use of a contract or lease agreement due to complex specifications or unique procurement requirements. Each such package shall contain the following:

- a. A transmittal letter
- b. A complete statement of conditions applicable to the request
- c. Complete specifications, including product or service descriptions, estimated quantities, shipping and delivery schedules, warehousing and distribution requirements, and sketches, samples, or other pertinent documents
- d. Supplier's price quotation form

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

The current suppliers will be included unless performance is unsatisfactory. Whenever the current supplier is not included in the quotation procedure, reasons for the exclusion should be documented.

At times, suppliers may request additional information prior to formulating or submitting their quotation. If additional information is given, it will be made available to all suppliers to ensure true fair competition.

D. Tribal Employment Rights Ordinance (TERO)

Contractors engaged in business activity on the San Carlos Apache Reservation must comply with TERO Regulation 1.5-Compliance Plans. These requirements can be found on the TERO website. Contractors may apply for an exemption from these regulations at least ten days prior to engaging in business activity. See the Appendix for the TERO Application for an Exemption from Regulation 1.5.

E. Quotations, Sole Source, and Emergency Procurements

1. Funding Levels for Quotations

To ensure open and fair competition resulting in the maximum value for the purchasing dollar, the College has implemented the following competitive purchasing guidelines for purchases of \$10,000 or more.

\$10,000-\$25,000: Competitive quotations from at least three (3) vendors are required for transactions estimated to cost at least \$10,000 but not more than \$25,000. If three sources are not available for a given product or service, quotations should be obtained from as a reasonable number of sources. Quotations may be obtained in writing, orally, or from published catalogs. Oral confirmation of catalog prices may be desirable if they are subject to change without notice.

\$25,000-\$100,000: Competitive written quotations from a minimum of three (3) vendors are required for transactions estimated to cost \$25,000 or more. Solicitations must be in writing.

The vendors contacted and their price quotations should be indicated on, or attached to, the College's file copy of the related requisition form or purchase order. If three quotations cannot be obtained, the College will document the vendor contacted who did not offer quotations, and the reason they would not.

The lowest responsible and responsive bidder should be selected for the purchase, consistent with an acceptable or appropriate level of quality. If the lowest cost vendor is not selected, the specific reasons for the selection must be documented in writing and maintained in the vendor file. The College may consider using the RFP process (see below) for purchases under \$100,000 when lowest cost is not the only factor considered in the selection of the vendor.

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

2. Sole Source Procurements-in excess of \$10,000:

A purchase may be made, or a contract may be awarded, for a material, service, or construction item without competition **if** the Chief Financial Officer determines in writing that there is only one source for the required material, service, or construction item. Sole source procurement shall be avoided, except when documented in writing that no reasonable alternative sources exist. The Finance Office will continuously maintain a list of vendors determined to be reasonable or uniquely qualified candidates for sole source procurement. Each year, the list will be updated and approved by the Board of Regents.

3. Emergency Procurements-in excess of \$10,000:

Failure to anticipate a need is not itself considered a bona fide emergency.

The Chief Financial Officer may make, or authorize others to implement, emergency procurements if there exists a threat to public health, welfare or safety, or if compliance with the College's competitive purchasing guidelines are impractical or unnecessary. However, these procurements will be made with such competitive procedures as possible under the circumstances. A written determination of the basis for the emergency and for the selection of the vendor will be included in the accounts payable file. The circumstances of the emergency and documentation of the vendor will be presented to the Board of Regents at their first subsequent meeting. A copy of the Board of Regents' minutes accepting management's decision for the emergency procurement will be included in the accounts payable file.

F. Requests for Proposals, (RFP) and Sealed Bids (See Appendix on Contracts)

A formal contract should normally be used as the procurement process when:

- The costs of the goods or services is estimated to be \$100,000 or more;
- The effective period will extend for 12 months or longer; or
- Requirements are complex (e.g., pricing variations, guaranteed availability, highly technical specifications).

1. Requests for Proposals

When the College decides to award a contract to a business on considerations other than the lowest cost, the RFP process must be followed. In these cases, the factors for evaluation of the vendor may include the following:

- a. Quality of goods offered;
- b. College's past experience with the vendor;
- c. Ability of the vendor to meet deadlines;
- d. Vendor's References;
- e. Functions to be performed by the supplier (e.g., warehousing and distribution);
- f. Supplier-provided training and technical assistance; and

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

- g. Utilization of qualified, Apache, minority, and women suppliers.

When the competitive procurement procedure has been used, the specifications, quantities, shipping arrangements, delivery dates, payment terms, liability insurance requirements, special clauses, and general terms and conditions will already have been established. If an essential term has been omitted or will be changed significantly, the quotation procedure may have to be reopened. If the terms to be resolved are minor, with the President's approval, the terms can be agreed to by the Chief Financial Officer and the selected supplier.

Competitive sealed proposals or RFPs cannot be used for construction contracts.

2. Sealed Bids

In addition to following TERO rules, procurements that exceed an aggregate estimated dollar amount of \$100,000 require a Competitive Sealed Bid or a sealed Request for Proposal (RFP) - see RFP Section. If a list of prospective bidders is less than five, adequate public notice may be given by publication in at least one official newspaper of the San Carlos Apache Reservation or Gila, Graham, Pinal Counties containing legal advertising. Publication shall be as many times as deemed necessary by the Finance, but the last publication shall be a minimum of ten (10) working days prior to the date of the opening of bids or proposals. Among other items, the Invitation to Bid may include the following:

- a. Instructions to bidders;
- b. Purchase description, specifications, delivery, etc.; and
- c. Contract terms and conditions, including warranty and bonding.

3. Exceptions to Formal Procurement Procedures

The following procurement activity is not governed by the guidelines outlined above:

- a. Purchases made as a member of the Mohave Cooperative, or other authorized procurement cooperative; and
- b. Purchases from vendors approved by Intergovernmental Agreements.

G. Capital Improvements and Construction (See Appendix on Contracts)

1. Construction under \$100,000

If the project cost does not exceed \$100,000, a contract or Memorandum of Understanding or Agreement (MOU/A) may be used for the construction of a building, structure, addition, or alteration of a College facility with another governmental agency/division.

2. Construction exceeding \$100,000: Follows the Sealed Bid requirements

Construction contracts of \$100,000 or more will be awarded through the competitive sealed bidding process. Solicitations will be made for an Invitation for Bid and will follow the Competitive Sealed Bids process outlined in #2, Sealed Bids.

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

3. Surety Bonds for Construction Projects

Financial security required for construction contracts includes bid security, which must be a bond (listed by the U.S. Treasury of approved bonding companies) provided by a surety company licensed to do business in Arizona, or a cashier's check, either of which must be 10% of the bid price and must be submitted with the bid. Additionally, both a performance bond and a payment bond executed by a surety company licensed to do business in Arizona and equal, respectively, to 100% of the price specified in the contract, are required from the entity awarded the contract.

4. Major Construction Projects

Major construction projects in excess of \$500,000, and major improvement plans covering 1-5 years, require the Board of Regents approval by resolution.

5. Change Orders

With regards to construction projects, the Finance Office, through the processing of a Change Order request may modify purchase orders prior to the receipt of goods or services. The initiating unit of the College may request a Change Order using a form routed through the same approving officials as the original purchase order. The appropriate unit administrator must approve all Change Order requests. When a change order exceeds ten percent (10%) of the original contract amount it may be executed only after the President determines in writing that the change order is appropriate and advantageous to the College, and is supported by the Board of Regents.

Any questions concerning a conflict of interest should be directed to Finance Office.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION V: CREDIT CARDS

POLICIES

1. Only employees authorized by the Board of Regents, or their designee, can use College credit cards. And they must be used only for the conduct of College business.
2. The Board of Regents, or their designee, has the authority and responsibility to implement expenditure policies and procedures.
3. A list of authorized cardholders shall be maintained on file with the credit card issuer.
4. Each authorized cardholder must read, sign, and abide by the *Credit Card Policy Agreement*.
5. Purchases on the College credit card must follow College's purchasing policies and be used only for official College goods and services. The cards offer an occasional alternative to the existing purchasing process in situations that require immediate payment and, therefore, do not allow for normal purchasing procedures. Examples of authorized general credit card uses are: low cost supplies, association dues, books and periodicals, and travel expenses as defined in the Travel Policies and Procedures.
6. The President has discretionary authority to use the College credit card without pre-approval but must follow all other documentation guidelines. Such individual discretionary purchases are limited to \$1,000 and will be paid from operational funds.
7. All other credit card purchases must be pre-approved and have a purchase order number issued by the Finance Office. The credit cards are not a substitute for the standard requisition and purchase order system of the College.
8. Consequences of credit card misuse are serious and may lead to disciplinary action, up to and including termination of employment. (See the Consequence of Misuse section of the SCAC *Credit Card Policy Agreement* for more information.)
9. All Credit Card purchases must be supported by detailed, vendor-prepared receipts.
10. Individuals purchasing items for the bookstore on a credit card, must provide bookstore management with a copy of the receiving report or an itemized order document.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION V: CREDIT CARDS

PROCEDURES

Performed by

Procedure

Authorized Employee

1. Uses the accounting system purchasing procedures to obtain an approved purchase order form or authorized travel claim *prior to* the credit card purchasing transaction.
2. Obtains a vendor itemized receipt, and a credit card charge receipt, for each credit card transaction.
3. Receives monthly credit card statement, matches receipts to charges, and prepares and signs a reconciliation. The President, Vice Presidents, Directors, and/or other supervisors may assign this process to an assistant. Yet, the cardholder must always review and sign the completed reconciliation.
4. Submits the reconciliation packet to the Accountant within five (5) business days of receipt of the credit card statement.

Accountant

5. Receives reconciliation packet and credit card receipts with authorized employee signature, and proper vendor documents and approved purchase order and/or authorized travel claim.
6. Reviews receipts for propriety, contacts employee for justification of questionable charges and resolves issue or refers concerns to Finance.
7. Posts each credit transaction into accounting system.
8. Prepares a journal entry to record total statement credit charges.

Chief Financial Officer

9. If questionable charges were referred by Accounting Technician, contacts employee and approves or denies credit card charge.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION V: CREDIT CARDS

10. Ensures proper expenditure coding for charges and prepares journal entry for the statement balance. Submits journal entry to Finance for approval.
11. Reviews and signs journal entry documentation.
12. Posts the approved credit card statement journal entry to create the payable and closes the related individual credit card transactions.

See procedures in the Purchasing Cycle for completion of vendor payment.

**SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES**

SECTION VI: TRAVEL EXPENSES

POLICIES

1. The Board of Regents, or their designee, is responsible for the approval and implementation of expenditure policies and procedures.
2. Travel must be essential for the performance of duties or conduct of college business.
3. Employees and other college-sponsored travelers are representatives of SCAC on official College related business. Independent contractors are ineligible for college paid travel.
4. Travel arrangements must be made for the benefit of the College rather than the traveler with reasonable consideration given to safety factors in relation to mode of travel, times of travel, accommodations, and or personal preferences.
5. All official travel must be properly documented, authorized, reported, and reimbursed in accordance with this Travel Manual. Under no circumstances shall expenses for personal travel be charged to, or be temporarily funded by, the College.
6. The heads of the College's primary domains/offices, or their designee, authorizes College travel for all employees on official college business. The President authorizes travel for the Vice Presidents, Directors, and other direct reports to the President.
7. All out-of-state travel requires the approval of the President or designee.
8. The Board of Regents and President must approve out-of-country travel prior to the date of the trip. The traveler must have the proper documents and appropriate medical insurance and must have taken the prescribed immunizations and medical precautions prior to the trip.
9. Student travel is subject to the same policies and procedures delineated for other College travel. All student travel must be reviewed and approved by the heads of the appropriate College domain, office, or department. The travel request form must be completed, attaching a list of the names and social security or identification numbers of the students, faculty and staff members participating in the trip.
10. Some employees may, as a routine part of their job, use personal vehicles to fulfill the duties of their positions. One example is a GED instructor who teaches at multiple locations on the reservation. The standard reimbursement rates will apply. Reimbursement requests must be received, on a monthly basis, no more than TWO working weeks after the travel.
11. Travel of candidates for employment will be processed and/or approved in accordance with the same policies and procedures delineated for other College travel. Each candidate will be allowed the equivalent of SCAC's current Per Diem rate. For candidates using their personal vehicles, mileage shall be reimbursed at SCAC's current reimbursement rate. Lodging in excess of one day requires the President's approval.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION VI: TRAVEL EXPENSES

12. Hotel expenses charged to credit cards are limited to basic lodging expenses and additional hotel amenity charges are unauthorized.
13. Employees bear the financial responsibility for any voluntary changes to travel itinerary, flights etc. that result in expenses exceeding the originally approved Travel Request. Employees must inform the Dean of Finance of any changes to their travel plans.
14. If an illness, accident, or emergency occurs while on authorized travel, the traveler must notify: Local Emergency Medical Services, if warranted; Law enforcement authorities in case of a vehicle accident or criminal offense; and their immediate supervisor of location and telephone number for future contact. Traveler is responsible for the security and safekeeping of their personal property. An Accident Report form shall be sent to the Finance Office.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION VI: TRAVEL EXPENSES

Performed by	Procedure
	Before the Trip:
Traveler	<ol style="list-style-type: none"> 1. Completes the Travel Request Form including: purpose of trip, timeframe of travel, total estimated cost, etc. (see Travel Request Form Instructions) and submits to Supervisor at least fifteen (15) business days prior to departure. 2. If a travel advance of the allocated <i>per diem</i> is required, it shall be included on the Travel Request Form and the Finance Department will have a check issued to the Traveler.
Supervisor	<ol style="list-style-type: none"> 3. Reviews and signs completed Travel Request Form ensuring that the travel is for a valid purpose, that funds are available, and that the employee is authorized for the trip. Forwards to Finance for approval at least ten (10) business days prior to departure. Also forwards to the President for approval if travel is out-of-country.
Chief Financial Officer	<ol style="list-style-type: none"> 4. Receives and approves or denies travel request, ensures funding availability, and checks for proper coding. If travel approved, signs Travel Request form and forwards to the Accountant.
Accounting	<ol style="list-style-type: none"> 5. Receives approved Travel Request form, processes purchase order for payment, and maintains a copy of Travel Request form in the travel pending file. 6. Processes purchase orders and issues travel advance and/or registration check(s) to Traveler. 7. Provides credit card authorization to hotel and purchases airline tickets, if necessary.
Traveler	<ol style="list-style-type: none"> 8. Receives signed checks for trip.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION VI: TRAVEL EXPENSES

After the Trip:

- | | |
|------------|--|
| Traveler | <ol style="list-style-type: none">1. Within ten (10) business days of return, Traveler provides completed Travel Reimbursement form per instructions including all receipts and back-up documents to Supervisor.2. If the advance was greater than the expenses claimed, the Traveler must submit payment for the difference to the Finance Office within ten (10) business days.3. If the actual expenses exceeded the travel advance, the expense reimbursement will be processed by the Finance Office approximately ten (10) business days after all approved travel documents are received. |
| Supervisor | <ol style="list-style-type: none">4. Reviews and signs the Travel Reimbursement Form and forwards it to the Accountant. |
| Accountant | <ol style="list-style-type: none">5. Matches receipts, reviews for allowable expenses, and agrees all other documents to Travel Reimbursement form and then attaches to Travel Request form. Notifies Traveler and/or the Chief Financial Officer discrepancies.6. Ensures that the Traveler remits payment for any travel advance in excess of actual expenses within ten (10) business days. If not remitted within (10) days, the amount will be deducted from the next scheduled payroll for employee travelers and will be added to account receivable for student travelers. |
| Finance | <ol style="list-style-type: none">7. Determines legitimacy of expense questions brought forward by the Accountant and contacts the Traveler to resolve the issue and collect disqualified expense amounts. |
| Accountant | <ol style="list-style-type: none">8. Maintains all original travel and supporting documents in the Finance Office files.9. Periodically reviews travel pending file for open Travel Request forms, determines status of trip and notifies Traveler of missing documents. |

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

SECTION VII: INVENTORY

In order to safeguard, control, and account for its inventory, the College adheres to the following policies.

POLICIES

1. The goods and materials will be inventoried and/or labeled, and physically safeguarded.
2. All goods and materials will be received through Central Receiving Office for initial inspection.
3. The Central Receiving Office will identify the materials received and inspect them to ensure that the College is receiving the goods in the quantity and quality which it negotiated and expects to receive. Technical and electronically sensitive items will be inventoried, tagged and tracked by the IT Office.
4. Shipping errors should be promptly reported, in writing, to the Finance Office. Claims that can be supported under the warranty provisions of the procurement agreement should be processed in the Finance Office.
5. Damaged or incomplete materials are to be reported immediately to the Finance Office.
6. When a discrepancy exists between the procurement agreement and the supplier's invoice, the procurement agreement prevails. All discrepancies between procurement agreements and suppliers' bills should be resolved through the Finance Office prior to payment of the amounts in question.
7. Segregation of duties will exist between record-keeping and custodial functions. Access to the computer system is limited to record-keeping personnel.
8. The inventory is valued at actual cost using the last invoice method of valuation.
9. A periodic inventory system is used. An annual physical inventory is taken in June.
10. Access to the inventory in storage will be limited to authorized personnel.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION VII: INVENTORY

PURCHASING / RECEIVING

Performed by	Procedure
Instructor	1. Makes request for textbook purchases.
Department Head/Provost Bookstore Supervisor	2. Approves or denies instructor requests.
	3. Determines volume of purchases needed to provide desired stocking level and initiates purchasing process in accounting system.
	4. Follows competitive purchasing procedures if required.
President/Vice Presidents/ Directors/Supervisors/ Department Heads	5. Solicits, receives, and opens bids received from vendors when competitive purchasing procedures are required. Submits purchase request to Finance Office.
Finance	6. Receives purchase request through accounting system and reviews for budget capacity, proper account codes, and determines all other required information is properly completed. Converts purchase requisition to purchase order.
Bookstore Supervisor	7. Receives notification of completed purchase order.
	8. As items are delivered, prepares the receiving copy of purchase order, noting the number of items received, the number of items back ordered and date received. Matches items on original purchase order to vendor packing slip.
	9. Reports shipping errors promptly to the Finance Office. Report includes: purchase order number, vendor, receiving slip and sufficient detail so that clarification and correction of discrepancies can be made.
	10. When verified, signs receiving copy of purchase order, and submits, with vendor packing slip and vendor

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION VII: INVENTORY

invoice to Accounting Technician within five (5) business days to ensure prompt payment.

Accountant

11. Checks off items as received in accounting system per documents provided Reviews vendor invoice, checking items received and price extensions and notifies Bookstore Supervisor of any discrepancies.

12. Investigates and resolves discrepancies.

13. Receives notification to correct receiving copy of purchase order from and initiates payment.

14. Files and maintains all original invoices and receiving documents.

Finance

15. Generates annual report for use during physical inventory.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

SECTION VII: INVENTORY

ANNUAL PHYSICAL INVENTORY

Performed By	Procedure
Central Receiving/ Staff	1. Works in a team of two. Team makes a physical count on all items in bookstore and warehouse.
Finance Office Staff Member	2. Monitors inventory count process.
Central Receiving Staff	3. Counts items and documents on stock item listing.
	4. Sends count sheets to Supervisor.
Bookstore Supervisor	5. Keys count sheets into excel spreadsheet by stock number and count. Submits report to Controller.
Controller	6. Reviews spreadsheets and produces final inventory listing for bookstore and financial statement reporting.

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

Appendix A - Definitions

Procurement: The acquisition of goods or services by purchase, lease, or rent. Employees participate in the procurement process through:

- Direct involvement on behalf of the College (e.g., by determining required goods or services, initiating the order, authorizing payments, requesting quotations, negotiating terms, obtaining legal counsel, awarding the business, and following up on the order);
- Support activities, such as coordinating supplier and product evaluations, and providing legal counsel;
- Indirect involvement in requesting, supervising, authorizing, or approving the action of another who is directly involved in a transaction for the College.

Goods and services: Any commodity offered to, or procured by, the College for use in the conduct of its operation. Goods include, but are not limited to, tangible commodities such as equipment, materials, supplies, land, and buildings. Services include, but are not limited to, intangible commodities such as advertising, brokerage, contracted work time, insurance, and consultation of various kinds.

Transaction: A business proceeding that acquires goods or services through negotiation and the execution of an agreement, contract, or purchase order issued on behalf of the College.

Supplier: An individual, proprietorship, partnership, corporation, association, or other business organization that offers or furnishes goods or services to the College. Included are agents or representatives of a supplier and any organization owning a controlling interest therein. The term "supplier" as used in this manual includes contractor, lessor, and vendor.

Blanket Purchase Order: A blanket purchase order is a contractual arrangement setting forth terms and conditions applicable to certain repetitive transactions with a supplier that are expected to result in significantly high dollar expenditures over a specified, extended period, within or for an entire College fiscal year (i.e., July 1 through June 30). Blanket purchase orders allow the requestor to obtain goods and services of small quantity and low dollar value as needed in support of their operation within dollar limits authorized by the administrator.

Contract: A contract is an agreement stating terms and conditions under which goods or services will be provided on request for a specified price. While a purchase order or a letter that is acted upon by the other party may technically constitute a contract, the term "contract" here means a formal, written agreement signed by all parties. How extensive a particular contract should be ultimately a matter of judgment dependent on the awards and risks involved.

SAN CARLOS APACHE COLLEGE POLICIES AND PROCEDURES

Appendix A - Definitions

Letter of Intent: A letter of intent is an interim contract used only when it is necessary to ensure price, delivery, or contract performance, with the provisions for the ultimate contract requiring additional negotiations.

Purchase Order: A purchase order becomes a contractual arrangement only when the supplier accepts it by either written acknowledgment or delivery. If it is written against a current contract, it is in fact just a part of that contract, subject to all of its terms and conditions.

Department, Institute, or Program: A Department, Institute or Program is a section of a major institutional Domain or Office (and generally is a “cost center as well). For example, both the WIOA Institute and the Department of Apache Language, History, and Culture are sections of the College’s Domain or Office of the Provost/Vice President for Academic Affairs.

Domain or Office: A Domain or Office is one of the major areas of the College that have supervisory responsibility. These units are the President’s Office, the Office of the Provost/VPAA, the Office of the Director of Student Services, and the Finance Office.

Sole Source Vendor: The vendor is the only vendor who sells the particular item, or provides the particular service, being requested.

Cost Center Budget Specialist: The Cost Center Budget Specialist authorizes expenditures of one or more line items in the cost center’s budget.

Chief Financial Officer (CFO): The Chief Financial Officer is responsible for the daily operations of the College’s Finance Office and supervises the Finance Office staff.

Specifications: A specification means any description of the physical or functional characteristics, or the nature of, a material, service, or construction item. Specifications may include a description of any requirement for inspecting, testing, or preparing a material, service or construction item for delivery. Specifications must be definite enough to assure satisfaction and yet general enough to promote competition. The preparation of specifications is the responsibility of the units or cost centers of the College.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

Appendix B – Roles and Responsibilities

Chief Financial Officer (CFO)

The Chief Financial Officer (CFO) provides administrative oversight for all procurement processes and is responsible for the following:

- Administering internal controls of all procurement for internal use by the College including, but not limited to, maintenance items, custodial supplies, furniture, office equipment, mail services, printing services, reproduction equipment, and telecommunications services.
- Implementing, interpreting, and administering all aspects of these policies and procedures.
- Evaluating all procurement functions and processes.
- Conducting reviews and internal audits to monitor the adequacy and effectiveness of the College's procurement policies and procedures and related internal controls.
- Providing counsel to those involved in the procurement process to ensure that the rights of the College are preserved and its obligations properly defined.

Finance Office

The role of the Finance Office is to facilitate and serve as the central processing unit for all procurement for the College. It is also responsible for developing and implementing College Purchasing Policies and Procedures to ensure fairness, accountability, and the legality of all College Purchasing transactions. These responsibilities include issuing purchase order numbers and other procurement activities, including:

1. Central Receiving

- Purchasing, control, and provision of books, clothing, resale, promotional and office supply items, etc., for all units of the College;
- Receiving and acknowledging all purchase orders and credit card related goods delivered to the College Updating the purchase order file to indicate receipt of goods/shipment; and
- Obtaining an “acknowledgement of delivery” from the unit that received the goods/shipment.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

Appendix B – Roles and Responsibilities

2. Accounts Payable

- Using the accounting system to post and process all suppliers' invoices and ensure timely payment to vendors;
- Assuring all purchase orders and check requests or credit card purchase request forms are properly prepared and authorized by appropriate College personnel in the accounting system
- Reviewing electronic requisitions for propriety of account codes, budget capacity and competitive purchasing documents, if applicable
- Verifying accuracy of quantity and price on the invoices, purchase orders, and receiving copies of the requests for purchase orders, checks, or credit card purchases
- Completing the purchase order process in the accounting system

Unit Supervisors and Other College Personnel

In addition to following the Purchasing Cycle Policies and Procedures contained in this Manual, the role and responsibilities of College personnel utilizing the procurement process include:

- Using the accounting system, preparing and submitting a requisition, check request, or credit card request, and sending it to the Finance Office a minimum of five (5) working day in advance of when the purchase order is needed.
- Providing ordering information, shipping instructions, dates needed, insurance (if needed), etc.
- Recommending vendors and obtaining quotes when required by following the College Competitive Purchasing guidelines
- Supervisors approving purchase requests should take no more than two business days to review and authorize them.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

Appendix C – Contracts

The President, or her/his designee, shall authorize all College contracts and lease agreements.

A. Contracts and Leases

All contracts for good and services, vendor agreements, software licenses and other documents containing terms and conditions binding the College must be sent to the Finance Office. The Finance Office will obtain the required approval of the President and signature of the Finance. If these documents are not signed with proper authority, both legal and financial difficulties can result for the individual, the unit, and the College-as-a-whole.

1. Negotiation of a Contract

The President establishes all the terms and conditions of the contract and negotiates an agreement that is in the best interests of the College and is acceptable to, and fully understood by, the supplier.

During negotiations, the President has the authority to act for the College. As appropriate, others who have a vested interest in or who can offer expertise to the negotiations will be invited to participate.

The Finance Office is responsible for maintaining all original contract documents.

2. Notification of Contract Award

Once the contractor has been selected, all other bidders should be given prompt notification of the decision. At the discretion of the Finance, the name of the selected contractor may be disclosed; however, specific information regarding price, terms, conditions, and other relevant data should not be disclosed.

3. Execution of Contract

The execution of the contract is considered complete with the signing of a contract by the supplier and by the President and Chief Finance Officer, which represents mutual acceptance of the negotiated transaction. Two copies of a contract must be fully executed, one for retention by the supplier and the original for retention by the Finance Office.

4. Cancellation of Contract

The College may void any contract made in violation of the policy, in which case the individual making the contract or agreement becomes responsible.

The College may cancel, by notice of the President, any contract without penalty or further obligation, made by the College or any of its units IF a person significantly involved is determined to have a conflict of interest in the initiation, negotiation, securing, drafting or creation of a contract on behalf of the College or any of its units at any time while the contract or extension of the contract is in effect.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

Appendix C – Contracts

The cancellation shall be effective when all other parties to the contract receive written notice from the President unless the notice specifies a later time.

B. Intergovernmental Agreements

The President is responsible for recommending all Intergovernmental Agreements to the Board of Regents

The President or her/his designee administers approved agreements involving procurement by the College and agreements involving selling or no-cost arrangements.

C. Consultants - Professional Services Agreements

1. Request for Professional Services

Prior approval is required for consultants providing professional services. Requests for professional services will be submitted to the Finance Office a minimum of five (5) working days in advance for processing. No goods or services are to be rendered to the College until authorization has been given to the department.

The request should include dates for any special requirements such as personnel, facility needs, room set up, audiovisual and other equipment, phones, computers, etc.

The President may award a contract to the best qualified consultant based on factors set forth in a Request for Proposal (RFP) or needs statement after determining the compensation is fair and reasonable. No professional services contract will be awarded based solely on the basis of price.

For the purpose of procuring professional services, the College will provide notice to consultants for professional services and all requirements for the procurement of the services required.

2. Claim for Professional Services Claim for Payment

Professional services consultants must submit an invoice for payment with the following items included:

- a. Description of services rendered
- b. Reference to contract for authorized expenses
- c. Detail of expenses (supplies, travel, etc.)

D. Service Contracts and Product Warranties

Requests for Bids/Proposals may call for vendor performed services, maintenance and repair/replacement agreements when required. Request for Bids/Proposals will also require a statement of product warranties.

SAN CARLOS APACHE COLLEGE
POLICIES AND PROCEDURES

Appendix C – Contracts

E. Major Equipment Items

The President and the Chief Financial Officer will be the responsible parties for all major equipment purchases.

The selection of major equipment items shall be based on consideration of economy in operation, safety, productivity, compatibility, quality, energy efficiency, savings in item or labor costs, durability, warranties and service, so that the net result will be increased efficiency at the lowest cost.

Prior to requesting a purchase order for the item, the requesting unit or cost center should ascertain whether power requirements or other utilities are available. These should be specified on the request. Space requirements, floor loading, and access by elevator or door openings should also be checked and verified where applicable with the Director of Finance.

F. Documentation

The College's Finance Office is responsible for maintaining all original financial, contract and lease agreements and related documents for the College.

History:

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