

DEARBORN ADMINISTRATIVE GUIDE

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UM-Dearborn Purchasing Policies:

Before a purchase can be made for the UM-Dearborn campus, the following guidelines must be met. Where UM-Dearborn-specific policies exist, the information will be italicized.

Any questions regarding purchasing should be directed to Noel Hornbacher, Financial & Budget Services, 593-5410.

Purchase order summary detail, status, and payment information is available through the M-Pathways Financial System.

Purpose of Ann Arbor Procurement Services

Departments at the University of Michigan purchase a wide variety of products and services while fulfilling the institution's objectives in education, research, and service. Procurement Services in Ann Arbor is responsible for assisting departments in the procurement process in the most economic and convenient way possible, while ensuring compliance with University policies and principles. Contact one of the [Procurement teams](#) for assistance with your procurement needs.

Department users have buying authority up to \$5,000 per transaction (some restrictions apply, such as approvals for the purchase of radioactive chemicals or where signature is required on a contract). Before you make a purchase, you should consider which of the five buying options is appropriate for the transaction. In some cases, more than one option may work for a particular transaction; but usually there is a “best” option in terms of price, time savings, and departmental and central office administrative costs.

The Buying Methods at a Glance

Ordering through **Internal Service Units** and **University Contracts** can be cost effective and save you valuable time. Orders are placed online, or by phone or fax. Payment is through Service Unit Billing (or PO vouchers for M-marketsite orders), which reduces significantly the cost to the University for printing and mailing checks to suppliers.

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University Contracts have negotiated University pricing and offer benefits of lower procurement costs, higher supplier performance levels, and increased value-added services.

The **ePro requisition** (ePro req) is used for all transactions that require a Purchase Order (PO) be sent to the vendor (any dollar amount). It is also used for transactions \$5,000 and over, and those requiring special approvals.

The **P-Card** may be used to purchase items not available through Internal Service Units or University Contracts. It is often used to pay for travel, hosting functions, dues, and subscriptions.

The **Non-PO Voucher** is not a “buying” method but a payment method. It is used primarily for reimbursements, or when a supplier will not accept a Purchase Order or P-Card. Purchases using the Non-PO Voucher are subject to the same policies and procedures as for ePro req and P-Card.

The buying methods are listed below in the order in which you should consider using them. Click the links below to find more information about each buying option. Click [here](#) to view or download the **Procurement Services Buying Tips and Guidelines** quick reference.

Buying Methods: Links to Ann Arbor Information (UM-Dearborn-specific information is in italics.)

- [Internal Service Units](#) (M-marketsite information is included in this link.)
Questions regarding UM-D SUB's should be directed to Noel Hornbacher at 593-5410.
- [University Contracts](#)
- [ePro requisition](#)
- [P-Card](#)
The University Purchasing Card (P-Card) is a credit card issued by the University after completing and submitting a [P-Card Application](#) to the P-Card Approver (someone of higher authority) who then submits the request to approval. for obtaining a University of Michigan Purchasing Card may be obtained on-line. All applications must have the approval of his/her supervisor. Completed applications should be sent to Cynthia Kecskes in the Financial Services Office for review. She will forward it to Robert Gassel for approval, and then submit it

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to Ann Arbor. Upon termination of employment, the purchasing cardholder must cancel his/her purchasing card by sending the P-Card Maintenance Form to Ms. Kecskes in Financial & Budget Services, 1161 AB. Please see instructions on the Forms Checklist

- [Non-Purchase Voucher](#) (Non-PO)
Financial Services is the UM-Dearborn campus Accounts Payable Hub, a satellite office of the Accounts Payable Office in Ann Arbor. This means that we maintain full control over invoices for vendors when a purchase order is not necessary. Complete the [Non-PO Voucher request form](#), attach the original invoice, any support documents, and forward them to Karen Erridge in the Financial Services Office, 1161AB. She will audit and enter the Non-PO into the M-Pathways system for payment (check date).

Advantages for a campus A/P hub are as follows:

- *Local control of campus payables*
- *Better tracking for campus departments*
- *Improved relations with local vendors*
- *Faster audit and correction of problems*
- *More timely payments to vendors.*

- [Petty Cash](#)
Petty Cash funds may be used to reimburse small dollar-amount expenditures where the use of University Contracts or P-Card is not practicable. Please see [DAG Policy 503](#) for UM-Dearborn instructions.

Special Reviews and Approvals

1. *All purchases of furniture, except purchases from Steelcase, must have the approval of the Facilities Planning Office. This includes Petty Cash purchases as well. P-Cards cannot be used to purchase furniture.*
2. *A new membership that exceeds \$500.00 must be accompanied by a recommendation from the appropriate Dean/Director stating the benefits of membership in the organization. Upon receiving appropriate departmental approval, the membership information and Dean/Director's memorandum are to be submitted to Financial & Budget Services for review and approval.*
3. *Purchase orders for Hosting activities must be: (1) only for specific events and (2) \$500.00 or more. These requisitions must include both an authorized signer and Dean or Vice Chancellor's signature.*
4. *Flowers may be purchased only in conjunction with a sanctioned University event or function.*