

We trust that this manual will help you gain a greater understanding of the purchasing procedures adhered to by Cornerstone University. Please inform us if there are any policies/procedures that are unclear to you. We would be happy to help clarify these for you!

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GENERAL POLICY ISSUES

- 1) All purchases of equipment, supplies, services, etc. should be made in accordance with the established purchasing policies and procedures for the institution. It is important that these procedures be followed when committing the institution to the payment of invoices.
- 2) Please direct any questions about the policies and procedures to Accounts Payable in the business office.
- 3) Checks are normally printed on Thursday mornings. All check requests and invoices approved for payment should be turned in to the business office by 4:30 on Tuesdays in order to guarantee payment on Friday.
- 4) All purchases greater than \$1000 need to be approved through the requisition process prior to making the purchase.

CHECK REQUESTS – DUE by 4:30pm on TUESDAYS!

- 1) In order to obtain a check, please complete the following steps:
 - a) **Fill out a check request form using the proper format.** (See Below)
 - (1) **Department** – This is the name of the *department* requesting the check.
 - (2) **Account Number** – USE A COMPLETE ACCOUNT NUMBER! A complete account number will follow this format: xx-0-xxxxx-xxxxx. This will enable us to process your request quickly.
 - (3) **Requested by** – This is the name of the *individual* who is requesting the check.
 - (4) **Make check payable to** – Do not use abbreviations in this field. Clearly print the full name of the person/organization to whom the check should be made payable to.
 - (5) **Address** – USE A COMPLETE MAILING ADDRESS! It is important that a current mailing address be included with your request in order to avoid mis-applied payments.
 - (6) **Social Security Number** – When applicable (honoraria, etc.), it is important that the social security number of the payee be included on this form in order to avoid potential mix-ups. We would also need to have you attach a completed W-9 form to the request if it is first time payee.
 - (7) **Needed by** – This should be the date that you need the check to be written.

- (8) **Explanation** – Please provide a detailed explanation concerning the intended use of this check.
- (9) **Approval** – Your Department Manager and the respective VP *MUST* approve the check request and sign this form before it will be processed.
- b) **Attach a copy of the order form.** All check requests *must* have a copy of the order form or appropriate documentation attached.
- c) **Indicate whether you would like to pick up the check or have it mailed.** If you would like the business office to mail your check directly to the vendor, please be sure to include all of the necessary documentation.
- 5) Check Requests are printed each Thursday and are normally *ready for pick up Friday morning*.
- 6) Checks are written from check requests and invoices *only* and will *not* be written from requisitions, purchase orders, or account statements.

PURCHASE REQUISITIONS

1) Purchases under \$1000

- a) Requests for purchases under \$1000 may be submitted directly to the vendor with the approval of the Department Manager.
- b) After the merchandise and invoice have been received, the Department Manager and the respective VP must approve the invoice for payment. The invoice should then be forwarded to the business office for payment.
- c) Complete a check request form (pg 2) if payment is expected at the time the order is placed.

2) Purchases over \$1000

- a) Requisitions must be processed and approved **prior** to making a purchase.
- b) Requisitions for purchases over \$1000 must first be submitted to the Department Manager and then approved by your VP before sending it to the Controller.
- c) The Controller of the institution must then approve the request.
- d) **Complete a purchase requisition in Datatel according to the guidelines found in the “Creating a Purchase Requisition” procedures.**

CANCELLATION OR CHANGE OF ORDER

- 1) If a purchase order has been issued and a change must be made to the order or if the order is to be canceled, please notify the Accounts Payable Assistant.

EMPLOYEE EXPENSE REIMBURSEMENTS – DUE by 4:30pm on TUESDAYS!

- 1) Employees may be reimbursed for some items purchased for the department and/or institution. Prior to making a purchase, the item(s) should be approved by the Department Manager.
- 2) *Tax Exempt Items* – Cornerstone University is exempt from Michigan sales tax, please remember this as you make purchases on behalf of this institution. A copy of our sales tax exemption form is available in the business office for you to give to the vendor.
- 3) Complete the employee expense reimbursement statement according to the following guidelines:
 - a) **Name/Address** – Please fill this section out completely! We would like to see your full name (including M.I.) as well as your social security number or ID Number and current mailing address. This will help us avoid any possible mix-ups.
 - b) **Expenses** – BE SPECIFIC! (Fill the correct sections out in a detailed manner including relative dates, purposes, amounts, etc.
 - c) **Account Number** – Place correct portion of the account number in the correct space on the form. XX-X-DDDDD-OOOOO Department numbers shown by DDDDD or Object Number (Line Item) shown by OOOOO The Department Manager will assign these account numbers. Clearly outline which expenses should be charged to which accounts.
 - d) **Timely Return** - The expense reimbursement form must be returned within a reasonable period of time (i.e. 30 days). According to IRS regulations, the expense becomes non-reimbursable after 150 days.
- 4) Attach all receipts and supporting documentation to the expense form.
- 5) The completed expense report *must* be approved and signed by the Department Manager and/or VP, before submitting it to the Business Office for payment. There must **always** be two different signatures authorizing the expense reimbursement
- 6) A copy of the form and the receipts should be made for your department's records.

CASH ADVANCES

- 1) If an employee needs to have money advanced for travel or other expenses, a request should be made to the Department Manager.
- 2) Complete a check request form (pg 2) with the proper account number and approval signature.
- 3) The employee should complete an expense reimbursement form (pg 4) within 30 days after the expenses have occurred. If the employee owes money to the school, a check made payable to Cornerstone University should be attached. If the school owes the employee money, a check will be processed and sent to the employee. If an employee does not submit an expense reimbursement form or return the cash advance within 150 days, then Cornerstone University must withhold employment taxes on that amount.
- 4) Copy all forms and receipts for your department's records before submitting them for payment.

HONORARIA FOR SPECIAL SERVICES

- 1) Honoraria for special services would include chapel speakers, guest lecturers, etc. The procedures for requesting a check for honoraria expenses should be the same as outlined in the above purchasing procedures (pg 2). However, you do not need to submit a purchase order for these types of expenses.

PETTY CASH

- 1) Petty cash may be obtained from the Business Office cashier window for *up to* \$75.00 per day for *emergency* petty cash transactions.
- 2) Any money taken from petty cash should be documented with a receipt for the purchase. All change from the purchase should be returned to the Business Office.