



# NMEAF/NMSLGC PURCHASING POLICY

## PURPOSE

The purpose of this document is to establish a standardized policy for the procurement of fixed assets, equipment, supplies, and services. The executive (President, Vice Presidents, Assistant Vice Presidents, General Counsel) responsible for the purchase will ensure records are maintained documenting compliance with this policy. Each department's management will ensure all purchases are in concert with the annual budget plan.

## GENERAL PURCHASING GUIDELINES

All purchases must be made with prudent fiscal management, which includes avoiding acquisition of unnecessary or duplicate items, using economical purchase methods, and considering whether leasing or purchasing is the most economical approach.

## PURCHASING REQUESTS

### *FIXED ASSETS*

All requests to purchase fixed asset items exceeding \$5,000.00 will be issued by the Building Services or Information Technology (IT) Departments. The Building Services Department is responsible for budgeting and requesting facility, grounds, furniture & fixtures, and non-IT equipment purchases. The IT Department is responsible for budgeting and requesting all software and computing hardware purchases.

Fixed assets which do not meet the \$5,000.00 capitalization threshold will be budgeted and requested by the end user department. These items will be treated as departmental expenses. However, they must be approved by either the Building or IT department (based on their nature) prior to inclusion in the annual budget. Items equal to or less than \$5,000 on an individual basis fall under this policy if in aggregate the purchase would be greater than \$5,000. For example, if a computer purchased for \$1,500 is part of an overall purchase of 100 computers (\$150,000 total) it qualifies as a fixed asset.

The purchase of any telecommunications hardware, software or service that attaches to or interfaces with the telephone system within the building will be budgeted and initiated by the Information Technology Department prior to purchase.

The purchase of any hardware, software or service that attaches to or interfaces with any personal computer, computer network or Website must be approved by the Information Technology Department prior to purchase. The purchase of any hardware, software or service that attaches to or interfaces with any mainframe computer must be approved by the Information Technology Department prior to purchase.



## REQUISITION APPROVALS

All departments will ensure the appropriate approval(s) is/are obtained, per the table below:

<i>Approving Party</i>	<i>Budgeted Items</i>	<i>Non-Budgeted Items</i>
Board of Directors	Unlimited	Over \$50,000
President	Unlimited	\$0 - \$50,000
Vice Presidents/Asst. VPs /General Counsel/Treasurer	\$0 - \$50,000	\$0 - \$25,000
Directors & Supervisors (including Executive Assistant )	Up to \$5,000	N/A

Prior to purchase of non-budgeted items in excess of \$5,000.00 or budgeted items in excess of \$15,000.00, the Vice President of Finance/Treasurer will review and sign a copy of the request.

## SERVICE AGREEMENTS/CONTRACTS

Every agreement for service between New Mexico Educational Assistance Foundation/ New Mexico Student Loan Guarantee Corporation and a service vendor will be in writing except for those agreements for services totaling less than \$5,000.00. Fiscal approval of the agreement must be obtained from the appropriate executive. The vendor will be informed that the agreement is not final or effective until final approval is obtained. The agreement or contract owner must maintain oversight of work completed to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or service agreements.

Given guidelines depicted within this document, only executives or Board Members are authorized to sign agreements or contracts. All contracts in excess of \$15,000.00 will be reviewed by the NMEAF General Counsel before signing who will ensure the agreement or contract is in compliance with the NMEAF or NMSLGC Code of Conduct.

## Purchase Requirements

The purchase of any tangible equipment, construction or property in excess of \$10,000 and services in excess of \$5,000 will require the appropriate executive to ensure at least 3 quotations are obtained or researched. The research should include the specifics of the item or service to ensure that NMEAF/NMSLGC requirements are being met. All quotations and/or research should be maintained by the applicable department for a period of 3 years after the purchase or for the life of the contract plus 3 years, whichever is longer. Sole source purchases require documentation of the reason(s) for sole source and also require approval both by the applicable executive and an additional Executive Officer.



## Federal Purchasing Requirements

When using federal funds, all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible should be taken. Purchases with federal funding must have a vendor review completed on Sam.gov to ensure that the entity does not have a federal debarment or suspension, Agreements and contracts must include required language as outlined in Appendix II to CFR 200. All federal purchases are subject to the allowable cost principles outline in CFR 200 Subpart E. Records should be maintained with sufficient detail of the history of the procurement. These records will include (but are not limited to) rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

For purchases greater than the federal *Simplified Acquisition Threshold* authorized by 41 U.S.C. 1908 (currently \$250,000), in aggregate, using federal funds, a formal procurement process must be followed as outlined in 2 CFR 200.319 through .320.

All contracts in excess of \$10,000 must address termination for cause and for convenience by NMEAF including the manner by which it will be effected and the basis for settlement per Appendix II of 2 CFR.200.



## CORPORATE CREDIT CARD USAGE POLICY

### PROCUREMENT

These cards may be used for any departmental budgeted expenditure up to the cardholder's limit. Use of a credit card must be in accordance with the requirements defined above.

### *TRAVEL*

Executive staff and other staff members identified as frequent travelers on company business may use the cards for any business-related travel expenditure, subject to the NMEAF/NMSLGC travel policy guidelines. The corporate credit cards are restricted based on the anticipated purchasing and travel needs of each cardholder.

## RECEIPT, INSPECTION & ACCEPTANCE OR REJECTION OF DELIVERIES

All delivery of materials and supplies will be processed through the designated area in the Building Services Department. The receiving area is responsible for signing and distributing the receiving orders that accompany the delivery.

## CONTROLLING DOCUMENT

This purchasing policy is to be applied in all circumstances involving purchase of goods or services. BUDGET APPROVAL OF AN ITEM OR CATEGORY DOES NOT IMPLY AUTHORITY TO SUPERSEDE THIS POLICY. In addition, no departmental waivers, implied or otherwise, will supersede this policy.