

LIMITED PURCHASE CHECKS OPERATING GUIDELINES FOR DEPARTMENTS

Please read through this entire document to make these transactions as easy as possible. See that all persons spending LPCs have read through and understand these guidelines to avoid violations. Contact Procurement Services with any questions.

I. DEPARTMENT SENDS REQUEST TO PROCUREMENT SERVICES REQUESTING CHECKS.

- A. A maximum of five checks can be requested at one time per index.
- B. Request must be signed by responsible party.
- C. Index must be included (one index per request).
- D. Checks will be available on Mondays and Thursdays.

II. CHECKS ARE PICKED UP BY RESPONSIBLE PARTY.

- A. Responsible party signs and dates the request; however, the responsible party may sign a memo stating that someone else may pick up their checks by doing one of the following:

- 1. Send a memo every time someone other than the authorized person picks up checks. The memo needs to include the person's name who is signing for the checks, the date they are being picked up, and the index of the checks.
- 2. Send a memo once a year. The memo needs to include the persons name who is authorized to pickup checks, the index of the checks, and the school year, i.e., 2006-07

III. CHECKS ARE USED BY DEPARTMENTS

- A. Checks remain the **responsibility of the responsible party**, regardless of who spends them.
- B. Person using checks **countersigns** and includes **driver's license number**.
- C. A **receipt** or **invoice** must be obtained and included.
- D. A **complete description** of items purchased must be included on checks copies where indicated.

RESTRICTIONS

- 1. Checks cannot be written out to individuals. This includes UVU employees, students, or their relatives.
- 2. Checks cannot be written for over the authorized maximum amount. Purchasing many items at the same time with more than one check, even if you have two invoices, is not acceptable. This is the same as using two checks for one purchase. When an invoice or receipt is more than the maximum authorized amount, the check can only be written for the maximum authorized amount. Amounts spent over the maximum authorized amount will not be reimbursed by the University.

3. Checks can only be used once per day per vendor.
4. The Limited Purchase Check system is designed for small purchases and any requirements over the maximum authorized amount need to be handled by Procurement Services.
5. Checks are not to be written for cash, or for amount exceeding purchase.
6. The University is **EXEMPT FROM SALES TAX**. Do not allow the vendor to charge tax. The tax exemption number is printed on the face of the check underneath the second signature line.
7. Checks written for food must have proper approvals and documentation.
8. Under certain circumstances and stipulations, exceptions may be made, in writing, by Procurement Services.

IV. CHECK COPIES ARE RETURNED TO PROCUREMENT SERVICES

- A. After each check is used, the Purchasing copy of the check along with the **receipt** are returned to Procurement Services **within five working days of purchase**. The pink copy is retained for the department's record.
- B. If a check is voided for any reason, the entire check (check and **all** copies) must be returned to Procurement Services. **DO NOT KEEP CHECK!!!** Your department may be charged for any stop payment fees.

V. FAILURE TO COMPLY WITH POLICY WILL RESULT IN LOSS OF PRIVILEGE OF USING CHECKS.

- A. The following are actions that will be taken if violations occur:

- 1st violation to be noted by Vice-President
- 2nd violation will result in a 3 month probation
- 3rd violation will result in a 12 month probation
- 4th violation will result in no further consideration

- B. Violation are defined as follows:

1. Checks written to individuals, UVU employees, students or their relatives.
2. Checks written for cash, or for an amount exceeding purchase.
3. Failure to return limited purchased check
4. Checks paying for an invoice totaling more than the maximum authorized amount with more than one check.
5. Checks written for anything on the list of items you **cannot** buy.
6. Checks written for anything on the list of items you **should not** buy that are not accompanied by prior approval.
7. Checks written for food without proper approval or documentation.

If after 12 months no further violations occur, then the previous violations will be purged.

LIMITED PURCHASE CHECK RESTRICTIONS

Limited Purchase Checks **CANNOT** be used to purchase items that are not in agreement with the expenditure policy including, but not limited to, the following items:

- Alcoholic Beverages
- Cash advances
- Construction or remodeling
- Employee Benefits: entertainment, tuition, gifts, or flowers
- Fabricated equipment
- Fines, late fees, penalties, (including parking tickets)
- Lodging, Hotels, Motels, Housing, including deposits or holds on such
- Personal Purchases
- Special Services: Independent Contractors, performers, or speakers
- Student events, travel, tuition, scholarships, or stipends
- Travel, including Airline tickets
- Vehicle Rental
- Office furniture of any kind
- Computers of any kind
- Memberships
- Food that requires VP approval

Limited Purchase Checks **SHOULD NOT** be used to purchase the following items:

- Gifts, Gift Certificates, Gift Cards, Prizes or Awards
- Holiday Decorations
- Clothing; including monogrammed articles

However, checks can be used for the items in the “should not” category (in accordance with college policy) with **prior** VP or VP designee approval. Checks without prior approval will be violations.