



NMEAF 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.

PURCHASING REQUESTS

FIXED ASSETS

All requests to purchase fixed assets exceeding \$1,000.00 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 \$1,000.00 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.

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 | \$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 Chief Financial Officer will review and sign a copy of the request.

SERVICE AGREEMENTS/CONTRACTS

Every agreement for service between New Mexico Educational Assistance Foundation 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.

Given guidelines depicted within this document, only Executive Officers, Vice Presidents, Assistant Vice Presidents or Board Members are authorized to sign contracts. All contracts in excess of \$15,000.00 will be reviewed by the NMEAF General Counsel before signing.

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 three quotations are obtained or researched. The research should include the specifics of the item or service to ensure that NMEAF 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.



CORPORATE CREDIT CARD USAGE POLICY

PROCUREMENT

These cards may be used for any departmental budgeted expenditure under \$5,000.00. 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 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 receiving 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.