

Special Processing

The following paragraphs provide specific information on purchases that require special processing.

Advice of Change (AOC): An Advice of Change is the mechanism used to adjust the dollar amount of an existing purchase order. In order to increase an amount, enter a purchase requisition into Banner. In the item description, include “AOC to Pxxxxxxx”. Specify the Banner Purchase order to be increased. The unit of measure and unit prices should be consistent with the original purchase order.

The Banner system cannot accommodate an AOC that is a reduction to a purchase order. In this instance, please send an email to CCRI’s Purchasing department with the specifics of the amount by which the purchase order needs to be reduced.

Damages/Out of Stock Items: If an item is received damaged, contact the Purchasing Department immediately. If an item is out of stock, contact Purchasing to determine if a substitution can be made or whether the goods will have to be cancelled and reordered.

Emergency Orders: The procurement regulations promulgated under Section 37-2 of the Rhode Island General Laws define emergencies as situations that constitute immediate dangers to health and safety, threats to property and necessary functions, and failure of critical equipment. *Lack of planning is not justification for “emergency” purchases.*

If an emergency occurs, contact the Purchasing Department during regular working hours.

- The Purchasing Department will evaluate the situation. If Purchasing concurs this is an emergency, they will contact the vendor(s) or authorize the department to contact the vendor(s) directly.
- Department must enter a requisition indicating “Emergency” in the Comment field and prepare an Emergency Justification Form. The signed form is forwarded to the Purchasing Department.
- Purchasing will issue a purchase order.
- Any invoices received by the requesting department should be forwarded to Accounts Payable.

For an emergency occurring during off-hours, the Security Office and Physical Plant are both authorized to procure items required to rectify the situation whenever life or property is in jeopardy.

- On the following work day, the Purchasing Department must be notified of the action taken.
- A requisition detailing the emergency must be prepared in the same manner as above. Whenever possible, the college shall obtain services from established emergency response vendors.

The Emergency Justification form is available on the Purchasing Department's website:
<http://www.ccri.edu/businessaffairs/businessoffice/purchasing/purchasinginstructions.html>

Pre-Payment for Goods and Services: There are unique instances in which a purchase may require prepayment. In these situations, the requisitioning department should contact Purchasing to discuss the situation before any commitment is made to a vendor. The Purchasing Department will advise the department regarding the necessary procedure to follow. This can include regular purchase items where the vendor will only accept a credit card for payment.

It should be noted that prepayment for goods and services is not a recommended method of purchase as the settlement of claims can become difficult.

Purchasing/Vendor Complaints: If a vendor has failed to comply with all the terms and conditions of the purchase, and does not respond to department inquiries, a complaint must be initiated. The following are examples of situations that warrant the filing of a purchasing complaint:

- Unauthorized substitution of merchandise;
- Poor quality goods or service;
- Repair parts not available;
- Failure to replace damaged merchandise;
- Failure to respond to service calls;
- Failure to meet specifications; or,
- Failure to comply with warranty provisions.

The department is required to forward a report to Purchasing. The department should include a clear explanation of what the complaint is about including all relevant information, memos, letters of correspondence etc. as backup documentation for the complaint. The Purchasing Department will contact the vendor regarding the complaint.

NOTE: When a vendor has shipped the specified merchandise and is in compliance with the purchase contract, they are under no legal obligation to take product back for credit or refund. Also, a restocking fee is common business practice for vendors when merchandise is returned through no fault of theirs.

Receiving/Returning Merchandise: All material will be shipped to the Receiving Departments in Warwick or Lincoln by the vendor. The receivers will inspect the packages for exterior shipping damage. The receiver will generate a Delivery Checklist and will deliver the goods to the department. Materials for the Newport Campus must be delivered to the Warwick Campus and materials for the Providence Campus must be delivered to the Lincoln Campus. Physical Plant personnel will transport and deliver goods to these campuses.

It is the responsibility of the department to inspect the goods to confirm compliance with the specifications referenced on the purchase order. The department must sign and date the Delivery Checklist and return it to the Receiving Department within 48 hours. It is important that the

department indicates the number of items delivered on each line to ensure that items billed were actually delivered.

A vendor cannot be paid until the approved Delivery Checklist is submitted to Accounts Payable by the Receiving Department. Rhode Island Statue requires payment in thirty (30) working days.

If goods received are unacceptable, the department must contact the Purchasing Department immediately, referencing the purchase order number for assistance on how to proceed with replacing the merchandise.

Federal Grant Procurement Procedures: Federal grant expenditures, and other grant expenditures using Federal grant pass-through funding, require special handling in order to remain in compliance with Federal Regulations:

1. When procuring property and services under a Federal award, the CCRI Purchasing Manual must be followed, which reflects the applicable State of Rhode Island laws and Procurement Regulations, issued by the Board of Governors, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Administrative Requirements, unless an exception applies to a particular grant. These requirements can be found by following this [link](#) to Electronic Code of Federal Regulations Website.
2. In compliance with Federal Grant Regulations, there is a mandate for certification of the expending of grant funding. The CCRI Business Office is using a stamping process for invoices which are grant funded. In order for an invoice payment to be processed, the following statement must be signed by a Project Director or their supervisor:

By signing this invoice, I certify to the best of my knowledge and belief that this invoice is true, complete, and accurate, and the expenditure will be for the purposes and objectives set forth in the terms and conditions of the grant award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

Project Director

Authority contained in [2 C.F.R. §200.415](#)

3. One required task in managing a Federal award, or an award with Federal pass-through funding, is to analyze any planned expenditure of grant funds, to determine whether the expenditure could be considered a subaward or a procurement contract. A subaward provides assistance, as opposed to a procurement contract, which is only meant to provide goods and services. Under the Uniform Administrative Requirements, an entity that receives a subaward is classified as a Subrecipient, while an entity that receives a

procurement contact is classified as a contractor (vendor). If it is not clear what a planned expenditure could be considered, Project Directors are encouraged to complete the Subrecipient or Contractor Determination Form, which is available [at this link](#). In addition, the Controller's Office may require the completion of this form, if it is not clear whether the planned expenditure could be considered a subaward or a procurement contract.