Policies and Procedures

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General Guidelines (apply to all purchases)

Authorized faculty and staff are empowered to purchase required products and services from external suppliers on behalf of the University. With delegated authority comes responsibility for ensuring that their procurement related duties are executed in an efficient, effective, professional, and ethical manner. Authorized employees are accountable for ensuring that their purchase activity is accurate, necessary, and in accordance with University policies.

Standard Payment Terms

Clark University’s standard payment terms are Net/30 (30 calendar days after the invoice date), unless an early payment discount applies. Any exceptions must be approved by the Senior Assistant Controller. Note that it can take up to 2 weeks for an invoice to be paid after it has been received by Accounts Payable, so it is important for users to load invoices and complete receipts in Smart Buy Plus as soon as they are received to ensure that payments are made on time.

Advance Payments to Vendors

Advance Payments to Vendors

Generally, goods and services provided to the University should be paid after receipt. It is prudent business practice not to pay for goods or services until they have been received in good order or rendered satisfactorily, also the University may suffer loss of interest on funds used to make advance payments. Advance payments or prepayments for goods and services should be avoided whenever possible; however there are some instances where it is common business practice to make payments...
in advance, for example:

- High cost equipment manufactured to meet functional specifications
- Books, periodicals and newspaper subscriptions
- Deposits for functions or reservations
- Deposits for certain consulting, advertising, recruitment contracts
- Honoraria
- Vendors who offer substantial prepayment discounts
- Maintenance service contracts
- Membership dues
- Insurance
- Leases
- Individuals performing services under contracts that require payment before performance
- Low value items (<$5,000)

This list is intended to illustrate common examples, it is not intended to represent an exhaustive or exclusive list. Employees should always use their professional judgement and negotiate the best terms possible when purchasing goods and services for the University, including when to agree to making advance payments. The total amount of the purchase order shall include the value of the advance payment and a full description of the refund policy. Departments are responsible for receiving the goods/services associated with the advance payment and for collecting and processing all supporting documentation.

Conflict of Interest

Clark University faculty and staff who act on behalf of the University have an obligation to avoid activities or situations which may result in a conflict of interest or the appearance of conflict of interest. Employees must not use their University positions to influence outside organizations or individuals for the direct financial, personal or professional benefit of themselves, members of their families or others with whom there is a personal relationship.

In order to avoid a conflict of interest or the appearance of a conflict of interest, at no time should an employee solicit or accept gifts from a supplier or contractor or from a potential supplier or contractor. Ordinary business courtesies, such as payment for a modest lunch, are acceptable. Gifts which are promotional items without significant value (less than $50.00) and which are distributed routinely by the supplier to clients, are also acceptable. Gratuities or gifts of money to an employee cannot be accepted at any time.

Never accept any money, commission, object of value, offer of employment or compensation of any kind which is provided or offered directly or indirectly by a supplier, contractor or subcontractor for the purpose of obtaining favorable treatment in connection with a purchase.

Gift Card Policy

Policy Statement

The purpose of this Policy is to set forth the guidelines and procedures for the purchase and distribution of gift cards purchased with University funds to ensure compliance with tax withholding
and reporting obligations.

According to the rules of the Internal Revenue Service (the âIRSâ), because cash and cash equivalent fringe benefits, such as gift cards, have a readily ascertainable value, they do not constitute de minimis fringe benefits, regardless of the face amount of the gift card.

For employees and students, the value of gift cards is compensation subject to federal, state and employment tax withholding, and reporting on Form W-2. For non-employees/non-students, the value of all gift cards in an aggregate amount of $600 or more per calendar year must be reported to the IRS on Form 1099-MISC as other compensation. Any gift cards given to nonresident aliens are subject to federal tax withholding and reporting on a 1042S.

This Policy applies to any purchase and/or distribution of gift cards by any University trustees, officers, employees and students of the University and/or any of its subsidiaries or affiliates.

Note: Whenever possible it is preferable to use tangible gifts instead of gift cards as there are no tax or reporting requirements for gifts with a de minimis value, which Clark has deemed to be $100 or less.

Policy

Gift cards can be purchased with required documentation and approvals in amounts up to $100 using the following methods:

- Amazon E-Gift Cards through Smart Buy Plus (preferred)
- Expense Reimbursement
- Exception can be made to allow for purchase with P-Card or American Express (with prior approval by Sr. Assistant Controller)

It is recommended that all gift cards be in electronic form. If physical gift cards are necessary, appropriate measures must be taken to safeguard any gift cards that are not distributed immediately.

Gifts and gift cards may NOT be distributed in lieu of cash compensation. For example, gift cards may NOT be used in any of the following situations:

- to compensate speakers;
- to express appreciation to volunteers;
- to compensate note-takers assisting other students.

The distribution of gift cards must not be used to avoid compliance with other applicable University Policies, e.g., the Independent Contractor Policy.

Procedures

A. Documentation is required for each gift card purchase, which must include the following information:

- Purchaserâs Name;
- Purchaserâs Department;
- Vendor Name (entity from which gift cards are to be purchased);
- Date and Aggregate Amount of gift cards;
- Description of what is to be Purchased (number/face amount of gift cards to be purchased);
- Description of Intended Use of gift Cards
- Month/Year cards are to be distributed;
- Fund/Org to be charged; and
- Appropriate Financial Approval
B. An executed "Gift Card Acknowledgement Form" (attached as Exhibit A) must be completed for gift card denominations in excess of $50 (or in excess of $100 for Human Subject payments to individuals participating in research studies approved by the Institutional Review Board (IRB)). This acknowledgement shall contain the following information:

- The value of the gift card;
- The recipient's name, address and email address;
- The recipient's University I.D. number (if applicable);
- The recipient's status as either a citizen/resident alien or nonresident alien; and
- The recipient's signature and date.

C. The "Gift Card Disbursement Log" (the "Log") is (attached as Exhibit B). Section I of the log must be completed for all gift card purchases. For gift card denominations in excess of $50, Section II must also be completely filled out, including the date, name of each person receiving the gift card and amount of each gift card given.

D. The department must send the Log, together with the related Gift Card Acknowledgement forms (for gift card denominations in excess of $50 or gift card denominations in excess of $100 for Human Subject participation payments approved by IRB) to Accounts Payable within 60 days of purchase. For the month ending December 31, the Log must be submitted by December 15th. Accounts Payable will review logs each year to determine if a non-employee has received an amount of $600 or more.

E. If gift cards have been distributed to nonresident aliens, these amounts are reported on a 1042S by Financial Services, and the Department is responsible for paying applicable taxes.

Approvals

Approved By: Anne Randall, Controller
Date Approved: May 2021

Exhibits

Exhibit A: Gift Card Acknowledgement Form
Exhibit B: Gift Card Disbursement Log

Vendor Selection and Qualifications

When selecting a vendor, consider quality, cost, delivery, terms, past vendor performance and the following criteria:

- Vendors must demonstrate their ability to supply goods and services on a regular and timely basis.
- Vendors should be cost competitive.
- Vendors should demonstrate the ability to meet both the specification requirements and applicable industry standards.
- Vendor’s financial strength and stability.
- Vendor’s reputation for adhering to specifications and delivery schedules.
- Vendor’s commitment to the environment and sustainability.
- In support of the Buy Worcester initiative, preference should be given to vendors located in
Worcester if all other factors are equal.

- Clark University expects vendors to be affirmative action/equal opportunity employers.
- Clark University supports socially responsible purchasing by favoring companies that are making significant steps towards conflict-free certification. For more information about Clark’s purchasing position on conflict materials, please review Clark’s purchasing position statement.

**Working with Independent Contractors (IC)**

It is Clark University’s policy that an individual who is paid to provide services to the University must be hired as an employee unless the engagement satisfies the three-part Independent Contractor test defined in Section II below.

An Independent Contractor (IC) is generally an individual who is in an independent trade, business, or profession and offers services to the general public. An IC may work as an individual or through a business entity such as a sole proprietorship or limited liability corporation. ICs are sometimes also referred to as consultants, 1099s, contractors, or vendors.

A worker’s preference is not relevant to the classification determination, nor is that of the department wishing to engage the individual.

[Independent Contractor Policy](#)
[Independent Contractor Questionnaire](#)
[Independent Contractor à Sample Contract](#)
[Independent Contractor Policy and Procedures à Training](#)

**Group Purchasing Organizations**

Clark belongs to several group purchasing organizations (GPOs). These organizations have negotiated contracts providing discounted pricing on a wide variety of goods and services. In many cases the discounts are significant and/or the vendor provides free shipping. Before purchasing any products or services, you should check to see if the vendor provides discounts through any of the GPO contracts or if the goods/services could be obtained cheaper through a contracted vendor. Please see the [group purchasing page](#) for additional important information.

**Preferred/Contracted Vendors**

The University has negotiated, either directly or through [group purchasing organizations](#) contracts for the purchase of various products and services including the following:

- Office Supplies/Paper
Bottled Water
Copiers/Multifunction Devices
Transportation
Car Rental

Unless there are unique circumstances or you are able to find cheaper prices elsewhere, every effort should be made to purchase goods or services from these vendors. If you are able to secure cheaper pricing than is available through Clark or group purchasing organization contracts, please share that information with the Business Manager.

In support of the University’s sustainability efforts, 30% recycled copy/printing paper should be used whenever possible. Special pricing on this paper (Boise ASPEN 30% Recycled Multi-Use Paper) is available through Clark’s preferred office supply vendor, WB Mason. Please see item number CAS054901.

Please see the vendors page for a listing of key vendors and their contact information.

Printing:

The University has negotiated rates with AlphaGraphics (located at the copy center) which, in most cases, will be cheaper than their competitors. Faculty and staff are highly encouraged to utilize AlphaGraphics for their printing needs.

Catering:

Dining Services has a full range of options to meet your catering needs. Faculty and staff are strongly encouraged to utilize Dining Services for their catering needs.

Any concerns regarding the ability of AlphaGraphics or Dining Services to meet your needs should be addressed with the Business Manager.

Purchases

It is preferred that products or services should use a Purchase Order (PO) through SmartBuy Plus.

While it is not required that all purchases under $10,000 be competitively bid, it is generally prudent to solicit bids/proposals depending on the nature of the goods or services being purchased. Group purchasing contracts should also be checked for all purchases as significant discounts may apply.

If the annual anticipated purchases of a product or service from a single vendor will exceed $10,000, the purchases are subjected to the University’s bidding requirement as outlined below.

Purchases/Annual Volume of $10,000 or more

Clark University requires competitive bidding for every individual purchase totaling $10,000 or more or where the annual volume of purchases will equal or exceed $10,000. Competition among vendors who can meet the buyer’s requirements will help ensure the University’s needs are met at the lowest overall cost – price, quality, availability and other factors considered. Written bids must be obtained from at least three (3) qualified vendors, when available. These acquisitions are audited to a stricter standard and it is the purchaser’s responsibility to ensure that all related documentation adheres to Clark University’s policies.
Non-Competitive Supplier Selection (Selected/Sole Source)

In rare cases, a buyer may be unable to or may choose not to competitively bid the requirements. These situations involve selected or sole sources. A selected source is when alternative suppliers exist but the buyer chooses a particular supplier because of unique technical requirements or past performance by other suppliers (poor service, lack of availability of parts, etc.). A sole source is when no other supplier that is capable of fully meeting the requirements exists.

Examples of legitimate sole source vendors include:

- The requested product is an integral repair part or accessory compatible with existing equipment.
- Only a particular brand or “make” is compatible with existing equipment or inventory.
- Only one supplier is capable of providing the required goods or service.
- An emergency condition exists which makes soliciting three bids impractical.
- Goods are being purchased from a supplier with an established University contract (for example, copy machine/multi-function devices).

Excluding emergency situations, justification for utilizing a selected or sole source vendor must be provided on a completed Competitive Bid Form and be approved by the Business Manager. Emergency situations may require documentation to verify the nature of the emergency.

Excluded Categories

Due to their unique nature, the following categories of purchase are excluded from the competitive bid requirement. Any other exception requires the written approval of the Business Manager:

- Honoraria and fees for entertainers
- Membership fees and subscriptions
- Utilities

Multi Year Arrangements

Certain arrangements for professional services that typically span multiple years such as legal, audit, investment management, food services, health service, etc. do not need to be re-bid each year. These arrangements are, however, still subject to periodic review and open bidding where appropriate.

Bid Request Process

The purchaser should provide each potential bidder with a written, detailed Request For Proposal (RFP). The RFP should clearly list the specifications for the required product or service and should have a submission deadline date. The following guidelines should be followed during the bid process:

- All vendors must be provided with the same information and deadlines to avoid any advantages for any vendor.
- No information on the bids submitted (especially price) may be disclosed to the other competing vendors except for the name of the company.
- Vendors should not be told the dollar amount that should be submitted.
- Vendors should not be allowed to unilaterally resubmit a bid. Resubmission bid requests must include all vendors.
- At least one vendor should have a contract through a Group Purchasing Organizations the University belongs to (if applicable)
- The list of vendors receiving the RFP should be reviewed by the Business Manager.
The most qualified bidder is defined as the bidder who submits the lowest bid quotation in accordance with the requirements set forth in the bid specifications, with consideration given to such factors as:

- Reliability and integrity – does not have a record of contract default or malfeasance in attempting to secure a contract.
- Financial stability – has a sound financial condition as evidenced by financial statements.
- Service and delivery – capable of delivering the specified products, in the required quality and quantity, on time.
- Insurability – ability to meet University liability insurance requirements.

The lowest bidder is not always the most qualified bidder. Judgment must be exercised in evaluating the criteria to determine the most qualified bidder and, therefore, obtaining the best value for the University.

**Competitive Bid Form**

When purchasing any product or service subject to the competitive bid policy, including purchases from selected/sole sources, a Competitive Bid Form must be completed and submitted to the Business Manager for approval.

**Wire Transfer Request**

- Domestic Wire Request
- International Wire Request

**Bulk Mail**

**Criteria**

A bulk mailing consists of 200 or more pieces of mail or 50 pounds of mail. All pieces must be identical in size and texture. They must be faced and if they are flats, they must be bundled according to zip code. Pieces are not forwardable or returnable without additional cost.

If your department has a large mailing (domestic mail only) that qualifies as “bulk mail”, it may be processed under the Clark University Mailing Permit (Standard – Non-Profit) at the non-profit rate. However, certain criteria must be met, and the following procedures should be followed:

1. Only “University” material is to be mailed under Permit 1886. The permit is not to be shared, rented, delegated or lent to any other organization. Joint ventures or advertising for “for-profit” entities (i.e. travel agents, hotels, etc.) is strictly prohibited.
2. To qualify for the non-profit bulk rate, the “Non-Profit” indicia must be affixed to the upper right corner of each mailing piece by the printer or mailhouse. Also, in order to qualify for the discounted rate, the addresses must be run through the USPS NCOA (National Change of Address) system or must have the “Address Service Requested” on the pieces.
3. Because the mailing permit is under Clark University’s name, the United States Postal Service (USPS) requires that the first line of the sender’s address on each piece of mail should read “Clark University.” In other words, if the first line on the return address of your mailing reads “Graduate School of Management” it will not qualify for the non-profit rate under the Clark University Permit.
University Bulk Mailing Permit.

**Procedures**

Prior to your mailing being sent to a Mail House, please send a [Bulk Mail Request Form](#) to General Accounting detailing all requested information in detail. This allows General Accounting sufficient time and information to ensure that there are funds available for your mailing. Specific directions are provided in this PDF.

**Contact Information**

**Purchasing Office**

**Office Location**

- Anthony Penny  
  Business and Auxiliary Services Manager  
  Clark University  
  950 Main Street  
  Worcester, MA 01610

- 1-508-793-7769

**Office Hours**

- Monday – Friday  
  8:30 a.m. to 5 p.m.

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**Helpful Links**

**Helpful Links**

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- [Campus Safety](#)  
- [Events](#)  
- [Offices](#)  
- [Employment](#)  
- [Website Feedback](#)

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