

SCHOOLCRAFT COLLEGE
18600 Haggerty Road, Livonia, Michigan 48152-2696

PURCHASING AND LEASING

1. **Purpose:** The purpose of this policy is to establish a clear, legally compliant, and fiscally responsible framework governing the purchasing and leasing of goods, services, equipment, and property on behalf of Schoolcraft College. This policy ensures that all acquisitions are conducted in a manner that promotes integrity, transparency, accountability, and stewardship of public resources, and that all purchasing and leasing activities comply with applicable federal and state laws, regulations, and recognized best practices in higher education.

2. **Scope:** This policy applies to all College employees, departments, divisions, programs, and units engaged in the purchasing or leasing of goods, services, equipment, or property using any College controlled funds, including but not limited to:
 - General fund dollars
 - Restricted or designated funds
 - Federal, state, or private grant funds
 - Auxiliary or enterprise funds
 - Capital or bond funds
 - Any other institutional financial resources

This policy applies regardless of funding source unless a grantor, statute, or regulatory authority imposes stricter requirements, in which case the stricter standard shall govern.

3. **Policy Statement:** Schoolcraft College shall conduct all purchasing and leasing activities in a manner that is ethical, competitive, transparent, and consistent with the College's fiduciary responsibilities. All acquisitions must be:
 - Necessary, reasonable, and aligned with institutional needs
 - Consistent with approved budgets and funding restrictions
 - Procured through methods that ensure fair and open competition
 - Supported by adequate documentation and internal controls
 - Free from conflicts of interest or the appearance of impropriety

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- Executed only by individuals with delegated purchasing authority

The College prohibits unauthorized commitments, personal purchases made in the College's name, or the use of College purchasing mechanisms for private benefit.

4. **Legal and Regulatory Compliance:** All purchasing and leasing activities shall comply with:
 - Federal law, including Uniform Guidance (2 C.F.R. Part 200) when federal funds are used
 - State law, including the Michigan Community College Act and applicable procurement statutes
 - Federal and state regulatory guidance, including grant funding conditions and audit requirements
 - IRS accountable plan rules for reimbursements
 - College policies and procedures, including ethics, conflict of interest, and financial control requirements
 - When federal, state, grantor, or College requirements overlap, the College shall follow the most restrictive requirement.
5. **Delegation of Authority:** The Board of Trustees delegates to the President the authority to establish and maintain purchasing and leasing procedures consistent with this policy. The President may further delegate purchasing authority to designated administrators, subject to internal controls and approved thresholds. Only individuals with delegated authority may obligate the College to a purchase, lease, or contractual commitment. Unauthorized commitments may result in personal financial liability and disciplinary action.
6. **Competitive Purchasing Standards:** The College shall use competitive purchasing methods whenever practicable and required by law. Competitive processes may include:
 - Informal quotations
 - Formal written quotations
 - Competitive sealed bids
 - Competitive proposals
 - Cooperative purchasing agreements

SCHOOLCRAFT COLLEGE
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- State or federal purchasing programs

Exceptions to competitive purchasing may be permitted only as allowed by law and College procedure, including sole source procurement, emergency purchases, or situations where competition is not feasible.

7. **Ethical Conduct and Conflicts of Interest:** Employees involved in purchasing or leasing activities shall conduct business impartially and in accordance with the highest ethical standards. Employees shall:

- Avoid conflicts of interest and the appearance of impropriety
- Refrain from soliciting or accepting gifts, favors, or anything of value from vendors
- Disclose any potential conflict in accordance with College policy
- Maintain confidentiality of proprietary or sensitive information

Violations may result in disciplinary action, up to and including termination.

8. **Documentation, Recordkeeping, and Internal Controls:** All purchasing and leasing transactions must be supported by documentation sufficient to demonstrate:

- Compliance with this policy and related procedures
- Operational need
- Competitive procurement or approved exception
- Proper authorization and approval
- Receipt and acceptance of goods or services
- Audit ready financial records

Records shall be maintained in accordance with College retention schedules and applicable federal and state requirements.

9. **Leasing and Long-Term Commitments:** Leases, rental agreements, long-term service contracts, and other multi-year commitments must be reviewed and approved in accordance with College procedure. No employee may sign a lease or long-term contract without delegated authority. All leases must comply with applicable accounting standards, financial reporting requirements, and institutional risk management practices.

10. **Enforcement:** Failure to comply with this policy or its procedures may result in:

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- Revocation of purchasing authority
- Corrective or disciplinary action
- Personal financial liability for unauthorized commitments
- Referral to law enforcement when appropriate

The College reserves the right to internally audit any purchasing or leasing activity to ensure compliance.

- 10. Cross-References:** The following procedures have been adopted to implement this policy and shall be read and applied in conjunction with Policy 5110:

Procedure 5110.1 Purchasing Procedure

Procedure 5110.2 Approval of Requestions

Procedure 5110.3 Check Request

Procedure 5110.4 Ordering Materials to be Printed

Procedure 5110.5 Membership in Professional Organizations

Procedure 5110.6 Mail Procedure

Procedure 5110.7 Outgoing Shipments

Procedure 5110.8 Administrative Procedure for Classified and Display Advertising

Procedure 5110.9 Removal of Equipment and/or Furniture from Campus

Procedure 5110.10 Use of Photocopiers

Procedure 5110.11 Credit Cards and Purchasing Cards

Procedure 5110.12 Professional Services – Independent Contractors

Procedure 5110.13 Handling Missing or Stolen Property

Procedure 5110.14 Capital Equipment Control and Records

Policy Governance Information

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