



Flathead Valley
Community College™

PURCHASING PROCEDURES



OBJECTIVES FOR PURCHASING PROCEDURES:

1. PROTECT THE INSTITUTION FROM RISK AND LIABILITY ASSOCIATED WITH PURCHASING
2. OFFER CLEAR, DETAILED INSTRUCTIONS FOR PURCHASING
3. ALLOW FLEXIBILITY FOR PURCHASING THAT FOLLOWS BEST PRACTICES, REGULATIONS AND AUDIT STANDARDS
4. CREATE APPROPRIATE INTERNAL CONTROLS TO MINIMIZE LIABILITY AND RISK

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Purchasing Procedures

Conducting purchases for FVCC is part of the routine and normal course of operations. It is everyone's responsibility to minimize risk and liability associated with FVCC's distributed purchasing model. Therefore, the procedures outlined in this document are expected to be adhered to, otherwise this privilege and responsibility shall be revoked. Purchases are expected to be guided by prudence, fiscal responsibility and compliance with Board of Trustee's Policies, the Montana Operations Manual (MOM), relevant Federal laws, Administrative Rules of Montana (ARM), and the State of Montana Code Annotated (MCA).

Purchases of supplies, materials, equipment and contractual services for the college will be made by the Business Office or designated regular employees within other departments who have been granted appropriate authority and received proper guidance from the Business Office. Temporary employees, including adjunct faculty, should consult their supervisor and/or the Faculty Handbook for purchasing directions. All purchases must be within the approved assigned budget and it is the responsibility of the purchaser to verify that available budget exists before the business transaction is initiated. Further, all purchases must be approved by direct supervisors (or his/her delegate) and the relevant Executive Staff member (or his/her delegate). Non-routine expenses over \$3,000 will be approved by the President.

If purchases are made under FVCC grants, the purchaser shall work closely with the assigned grant accountant to make sure that all purchases are under the authority as outlined by the grant award documents.

Any purchasing deviation from these procedures require support from the VP/CFO and approval by the President.

Sources of Funding

FVCC established the following types of funding sources, their definitions and appropriate use of resources below:

General Fund – Established to account for the economic resources of FVCC for the purpose of performing the primary objectives of the institution. The General Fund is a main source of funding for FVCC and has three functions as defined by GAAP (Generally Accepted Accounting Principles): instruction, service and research. Appropriate uses of the General Fund are as follows: instructional and support service salaries and benefits, academic support activities, student services, institutional support, certain tuition waivers, operations and maintenance.

Designated Funds – Established to identify special organized activities supported by supplemental assessment or recharged activities. Laboratory fees, course fees, continuing education activities, sales of services, and recharge centers (copier, postage, motor pool) are all examples of Designated Funds. Appropriate uses of Designated Funds must directly match the revenue source (i.e., photocopy recharge revenue must be used for photocopy related expenses). Laboratory and course fees are established to pay for essential annual consumable curricular costs and where appropriate renewal and replacement of capital items. Laboratory and class fees are not intended for academic incentives (food, gift cards, prizes, etc.) or non-instructional activities (non-curricular field trips, parties, etc.) Laboratory and course fees must be pre-planned and calculated based on the instructional needs of the class/program whereas each student is receiving equal and identical instructional benefit. Unplanned expenses must be pre-approved by the Vice President of Academic and Student Affairs.

Auxiliary Funds – Established for the organization of resources which are expendable for essential on-campus services primarily for students, faculty or staff that are not educational in nature. FVCC established Auxiliary Funds for bookstore activities, housing, food services, health center services and childcare activities. Appropriate uses of Auxiliary Funds must identically support the purpose of the revenue and must not be used for instruction related expenses.

Restricted and Agency Funds – Established for the collection and distribution of funds that are held on behalf of an individual or organization and held for specific purposes, with FVCC acting in the capacity of fiscal agent. This includes local, state and federal grants, scholarships, student activities, cooperative agreements, contracts or other

inter-agency activities. Appropriate uses of Restricted and Agency Funds are pre-identified by the source of the agent or organization.

Plant Funds – Established for acquiring long-term assets, capital loans proceeds and related debt service, and mandatory fees that support the renewal and/or replacement of capital items. Appropriate uses of Plant Funds are identically matched with the source of revenue.

Spending According to Budget/Fiscal Resources

All employees with expenditure authority are expected to plan and execute expenditures within the guidelines of the related budget and/or sources of funds. Commitments via contracts, purchase orders, requisitions, web orders, phone orders or any other method of committing resources shall not exceed the resources assigned to the purchaser during the course of the fiscal period of responsibility. Purchasers must identify alternative sources of revenue to cover any over commitments made.

Basic Procurement Overview

Procuring goods and services shall follow language in Montana Code Annotated Title 18, Chapter 4, Part 3. The Business Office will be responsible for executing non-routine procurement procedures.

FVCC has several methods available for purchasing supplies/equipment and services. Generally, these methods are based on the “total contract value” of the item or service desired.

For purchases under \$5,000, Supervisors, Executive Staff members and/or the President may require more than one estimate of a supply, equipment or service purchase before granting authority. FVCC purchasers are expected to be prudent, practical and fiscally-minded when executing purchasing decisions. Wherever possible, FVCC purchasers are encouraged to use the State Vendors List for these purchases.

For purchases with a “Total Contract Value” between \$5,001 and \$50,000 FVCC employees must work with the Business office to procure services with a total contract value between \$5,001 and \$25,000 or supplies/equipment with a total contract value between \$5,001 and \$50,000, using a limited solicitation procedure. This procedure requires a minimum of three written or oral quotations, if available. The limited solicitation procedure must be documented using the *Limited Solicitation* form available on the State Financial Services Division website at <http://emacs.mt.gov/AgencyProcurementForms> and, wherever practical, using the State Vendors List.

For service purchases over \$25,000 or supply purchases over \$50,000 there are two basic methods used in public procurement in seeking formal competition; competitive sealed bids and competitive sealed proposals.

Under some limited circumstances FVCC may conduct a “sole source procurement”, which awards a supply or service to the only known capable vendor, occasioned by the unique nature of the requirement, the vendor, or market conditions. Because this acquisition takes place without the benefit of competition, the State of Montana encourages extreme caution when pursuing this procurement method. Per administrative rule, sole source procedures do not apply if the item is under \$5,000.

Basic Purchasing

Once an FVCC approved purchaser commits institutional resources here are three basic methods, and processes to complete the purchase:

1. Complete Check Request or Requisition form
2. Business Office makes purchase
3. FVCC purchasing card

1. Complete Check Request or Requisition form

FVCC uses two purchasing forms to complete a purchase: *Check Request and Requisition/Blanket Purchase Order*.

Check Request

In the normal course of business, some vendors will bill FVCC directly, particularly on an on-going basis for services or products necessary for FVCC to consume. In this situation, a *Check Request* form shall be completed, including obtaining appropriate approval. All supporting documentation shall be attached by staple or paperclip. Original itemized documentation is critical to avoid duplicate payments. If non-original documentation is impossible to gather, a statement from the purchaser must be attached with a personal statement ensuring that the *Check Request* is not a duplicate submission. Documentation must include vendor name, date of purchase and complete list of items purchased. Hand written receipts cannot be accepted. Account codes must be included in the submission.

Requisition/ Blanket Purchase Order

A requisition is completed to request authority or assistance needed to purchase a service or product. The completion of a *Requisition* form is necessary after receiving an estimate of the costs for goods and services. A completed form demonstrates the appropriate approval, method of purchase, fund source and budget availability. The *Requisition* form serves as a purchase order, an automatically generated document that promises to pay a vendor for goods or services. If a vendor requires a purchase order (PO), a *Requisition* form can be used. The form requires all of the same documentation required for a *Check Request*.

A *Blanket Purchase Order* (BPO) can be completed for recurring payments. These are established at the beginning of the fiscal year with an estimate of the year's expenses.

If there is a business or individual that is not already established as a vendor, contact Accounts Payable in the Business Office to set up the appropriate billing and payment information before finalizing the business transaction. The IRS requires the completion of a W-9 and the State of Montana requires proof of worker's compensation insurance or certification of an exemption in some cases (casual employment is excluded). It is critical that this documentation is submitted appropriately before the service is rendered or the product delivered.

Purchase Orders and Blanket Purchase Orders are automatically deleted from the accounting system on June 30th and must be recreated by the original purchaser at the start of each new fiscal year (July 1).

2. Business Office Makes Purchase

The Purchasing Department of the Business Office welcomes all requests for executing and completing the purchase of goods and services. The purchase of large items, equipment, furniture, etc. shall be the sole responsibility of the Business Office in order to ensure compliance with governing procurement rules and obligations. The Business Office shall be the number one resource for purchasing routine supplies/equipment since volume of purchases can save the institution money. Specialized purchases, under \$5,000, requiring unique knowledge to select product/service shall be the responsibility of the purchase requestor. Routine business function purchases shall be the responsibility of the Business Office.

3. FVCC Purchasing Card

Eligible FVCC employees can make purchases using an assigned FVCC purchasing card. Academic Affairs has generic cards that can be checked out for one-time purchases. All of the same rules and expectations under this section apply to the purchaser. Employees shall exercise extreme care and responsibility for committing purchases and creating a liability on behalf of FVCC. The following procedures shall be followed:

Purchasing Card Procedures

The purpose of this procedure is to:

- establish the requirements for obtaining and using an FVCC purchasing card,

- provide an efficient, cost-effective method of procuring and paying for FVCC supplies/equipment, services, and travel,
- reduce petty cash requests, travel advances, and approved out of pocket travel expenses,
- and reduce the number of FVCC warrants/checks issued.

Procedures and Requirements for an FVCC Purchasing Card

Cards will be issued to employees with completed applications, including authorization by their supervisors, the relevant Executive Staff member and the VP/CFO. The following are base requirements to be eligible for a Purchasing Card:

- Active regular FVCC employment status, excluding temporary and students
- Responsible for making purchases in the capacity of employment
- Card limits will be set by the supervisor, relevant Executive Team member, Vice President/CFO and President based on appropriate budget and resource authority assigned to the positions. Limits will be increased if necessary for approved special trips or initiatives.

Expectations of Purchasing Cardholders:

- The cardholder must sign the back of the card. Although the card is issued in the employee's name, it is the property of FVCC and can only be used for FVCC purchases.
- Cardholder is responsible for security of the card and it must be properly stored to avoid improper use.
- The cardholder must accept all responsibilities outlined in the *Employee Agreement to Accept the Purchasing Card Privileges and Responsibilities*, included in these purchasing procedures.
- The card number should not be given to a company to keep on file for future use.
- When goods are being shipped to FVCC, the vendor must be instructed to ship the items to an FVCC address in Kalispell or Libby, including an itemized invoice and packing slip in the container. If the product must be shipped to a non-FVCC address, approval from the supervisor and relevant Executive Staff member must be obtained before placing the order.
- Cardholders must retain all itemized receipts, invoices, packing slips, email confirmations, etc. for returns, exchanges, payment and supporting audit documentation. Receipts must be approved by the supervisor.
- Cardholders must submit a *Check Request* immediately following a charged transaction and accompanied by appropriate supporting documentation.
- Recurring charges shall be an exception and not part of regular business. They will only be acceptable with submission of the contract or invoice initiating the commitment and documented evidence of approval by the supervisor and relevant Executive Staff member. This authorization must be reapproved after the contract ends or the fiscal year ends, whichever comes first.
 - The following information must be provided to Accounts Payable for all recurring charges:
 1. Cardholder
 2. Start and End date
 3. Vendor
 4. Recurring Payment Amount
 5. Frequency of Payment (monthly, quarterly, semi-annual)
 6. Purpose
 7. Authorization of supervisor, relevant Executive Staff member and VP/CFO

Allowable Purchasing Card Uses (not exclusive list):

- Travel expenses such as car rentals, taxis, shuttles, etc. as permitted (tips for taxi services up to 15%)
- registration fees for conferences
- lodging
- airline tickets
- instructional and/or office supplies and materials

- non-per diem food used for educational or reception purposes
- gift cards in accordance with these procedures

Unallowable Purchasing Card Uses (not exclusive list):

- cash advances
- per diem meals and related meal tips
- entertainment
- contracted services (vendors who are IRS Form 1099 eligible, i.e., independent contractors, performers, consultants, speakers, etc.)
- personal expenses
- personal vehicle gas, supplies, related services
- any purchase, alcohol or any substance, material or service that violates governing policies (no alcohol can be purchased with General Fund or Grant funds, regardless of purchase type)

How to Apply for an FVCC Purchasing Card:

- Complete the *Application for FVCC Purchasing Card* and the *Employee Agreement to Accept the Purchasing Card Privileges and Responsibilities* form.
- When the card arrives, the Business Office will contact the cardholder who will be expected to pick it up on person.

Employee Agreement to Accept the Purchasing Card Privileges and Responsibilities

This purchasing card represents FVCC's trust in you. You are empowered as a responsible agent to safeguard FVCC's assets. Your signature below is verification that you have read the Purchasing Procedures and agree to comply with it as well as the following responsibilities:

1. I understand the card is for FVCC-approved purchases only, and I agree not to charge personal purchases.
2. I will follow the established procedures for using the Purchasing Card. Improper use of this card can be considered misappropriation of FVCC funds. This may result in disciplinary actions, including termination of employment, criminal action or civil liability.
3. If the card is lost or stolen, I will notify the Business Office immediately.
4. I agree to surrender the card immediately upon termination of employment, whether for retirement, voluntary or involuntary reasons.
5. The card is issued in my name. I will not allow any other person to use the card. I am considered responsible for any and all charges against the card.
6. All charges will be billed directly to and paid directly by FVCC. The bank cannot accept any monies from me directly; therefore, any personal charges billed to this card could be considered misappropriation of FVCC funds.
7. As the card is FVCC property, I understand that I may be periodically required to comply with internal control procedures designed to protect FVCC assets. This may include being asked to produce the card to validate its existence and account number. In addition to receipts, I may also be asked to produce additional supporting evidence.
8. I will complete a Check Request form immediately following each charge. Since I am responsible for all charges on the card, I will resolve any discrepancies by either contacting the supplier or the Business Office. I understand that I am required to submit original, detailed supporting documentation for all purchases. Original receipts are required. If non-original documentation is impossible to gather, a statement from the purchaser must be attached with a personal statement ensuring that the *Check Request* is not a duplicate submission. Documentation must include vendor name, date of purchase and complete list of items purchased. Hand written receipts cannot be accepted. Account codes must be included in the submission.

9. I understand the Purchasing Card is not necessarily provided to all employees. Assignment is based on my need to make purchases for FVCC. My card may be revoked based on change of assignment or location. I understand that the card is not an entitlement nor reflective of title or position.

10. Base requirements for eligibility of a Purchasing Card:

- Active regular FVCC employment status, excluding temporary and students
- Responsible for making purchases in the capacity of employment
- All card limits will be set by the supervisor, relevant Executive Staff member, Vice President/CFO and President

Failure to follow the Purchasing Card procedures and Employee Agreement will result in suspension of cardholder privileges, possible cancellation of Purchasing Card and/or further personnel action. [Communication about misuse or possible revocation of privileges will be in the form of a memo from the Vice President / CFO of Administration and Finance, with a copy to the supervisor and Executive Staff member.](#)

Employee Signature & Printed Name _____ Date _____

Supervisor Signature & Printed Name _____ Date _____

OTHER PURCHASING RESPONSIBILITIES

Inspection of Supply/Material Purchases

All persons purchasing the supplies/equipment must inspect supplies/equipment received. It is not uncommon to receive supplies/equipment that don't meet specifications. The guidelines listed below will provide a basis for inspection/receiving.

When supplies/equipment are delivered, the person receiving the supplies/equipment should carefully check the external appearance of each package for signs of damage. Any scratches, dents, watermarks, etc., should be noted on the delivery slip. The person initiating the purchase of the supplies/equipment should also note the quantity of packages or containers received. The delivery slip should be signed only for the number of parcels actually received from the carrier. All discrepancies should be noted on the delivery slip, signed, and dated. Most often, the mailroom personnel will assume this responsibility, but will not open packages.

Once supplies/equipment have been received and externally checked, the person initiating the purchase shall conduct an internal inspection as soon as possible. Each container or shipment should contain a shipping document supplied by the manufacturer or vendor. The shipping document should list all the items and quantities shipped. The shipping document should be checked against the items received by type and quantity. Any discrepancies, defects or damages should be noted on the shipping document and the inspector should initial and date the shipping document. The purchaser should check it against what was ordered on the purchase order. The purchaser should check that the items delivered were actually ordered and meet the specifications as listed on the purchase order. After inspection, any problems discovered should be referred to the vendor. The purchaser may wish to contact a vendor by phone, but a written statement of the problem should be sent to the vendor.

Documentation for Purchase

Original itemized documentation is critical to avoid duplicate payments. If non-original documentation is impossible to gather, a statement from the purchaser must be attached to the *Check Request* with a personal statement ensuring that it is not a duplicate submission. Documentation must include vendor name, date of purchase and complete list of items purchased. Hand written receipts cannot be accepted. Account codes must be included in the submission.

Personal Reimbursements

Personal reimbursements for FVCC supplies, materials or services are not allowable. All FVCC expenses shall be incurred on FVCC Purchasing Cards, direct invoices or other means identified by the Business Office. Continuing Education teachers may submit invoices for necessary instructional supplies.

Costco Purchasing Procedures

There are times that it is financially beneficial to purchase supplies and materials from Costco. Costco cards can be checked out from the Business Office and returned the same business day. Check Request procedures, above, shall be followed.

Craigslist/Ebay/Facebook Sale Purchasing Procedures

Other than for approved marketing purchases, FVCC does not support purchases from online personal sales services, such as Craigslist, Ebay, Facebook or other similar platforms unless prior approval from the Executive Staff is obtained.

Amazon

Purchases for Amazon should be charged to an FVCC Purchasing Card. Complete Check Request forms to match the dollar charged to the Purchasing Card, which may be different than the total Amazon order.

Gift Cards (Pre-paid or Merchant Specific)

To comply with IRS guidelines, gift cards given to students for performing a service for FVCC can be purchased in increments not exceeding \$50, as long as the service does not reoccur more than two times within a calendar year. Examples of these services are for classroom note-takers as a service provided by Disability Services, musical performances for FVCC or Foundation events, marketing or recruiting activities, and fundraising event services. It is the responsibility of the purchaser to ensure these are tracked centrally in order to comply with the IRS reporting requirements for issuing an annual IRS Form 1099.

Gift cards given to students as prizes for student government, student activities and student intramurals are acceptable. Gift cards for academic incentives are prohibited.

Gift cards for employees will be added to the employee's payroll records for tax reporting purposes as defined by the Internal Revenue Service. Within five business days of the gift card being received by the employee, the purchaser shall provide to Human Resources and the employee the following information: the name of recipient, the amount of the gift card, a copy of the gift card, and date given to the employee.

Gift cards for non-employees and non-students shall be deemed appropriate so long as the service does not demonstrate characteristics of a regular employment relationship and is lower than the cost to on-board an employee. It is the responsibility of the purchaser to ensure these are tracked centrally in order to comply with the IRS reporting requirements for issuing an annual IRS Form 1099.

Gift cards must be purchased with funds from the following sources: Foundation, Auxiliary, Agency, or General Funds. Designated Funds (including laboratory and classroom funds) can be used with certain restrictions (See fund definitions on page 3.).

Gift cards for FVCC services such as dining, bookstore, continuing education and coffee, are encouraged.

Independent Contractors

Sometimes services are performed by non-employees. All contracts or MOU's with independent contractors shall be approved by the President prior to execution. The Business Office will assist in establishing independent contractors as FVCC approved vendors. A completed current IRS Form W-9, proof of worker's compensation and/or worker's compensation exemption shall be submitted and on file. Independent contractors are responsible for submitting invoices for payment which shall be approved by the appropriate FVCC purchaser.

Travel Procedures

This section provides the guidelines for how employees should conduct travel and the ensuing expenses and are written in accordance with [FVCC Board Policy, Chapter IV, section 140](#) and the Montana Operations Manual.

Permission to Travel Form

A *Permission to Travel* form documenting the business need to travel must be completed and approved two weeks prior to the date of travel. FVCC will not reimburse or assume any costs associated with unapproved travel.

Employee travel is authorized when there are financial resources available to travel, related to responsibilities of the employee and is approved by the employee's supervisor and relevant Executive Staff member. If the travel is funded by a grant, the grant accountant must also approve the travel and ensure the regulations of the granting agency are followed. Once all approval signatures are obtained the form is submitted to the Business Office. When the Business Office communicates the receipt of the appropriately completed and authorized *Permission to Travel* form, employees are free to start making travel arrangements (lodging, airfare, vehicles, etc.). Trips should be scheduled to avoid unnecessary backtracking and overlapping.

Travel should be in the most efficient and cost effective manner possible that still allows for the purpose of the trip to be accomplished. Whenever possible, employees will utilize technology (i.e., Go to Meeting, Skype, webinars) to interface with others and reduce expenditures as recommended by the State Legislature. Only relevant personnel shall attend required travel when FVCC is the funding source.

Employees are required to follow all College policies and procedures as a professional representative of FVCC when traveling.

Travel Expense Form

The *Travel Expense* form documents and summarizes all costs incurred by the employee related to that trip. All expenses relating to the travel must be entered on this form including lodging, airfare, and registration costs that may have been purchased prior to the travel dates. Conference agendas must be attached to the form and meal per diem is not allowed to be claimed for meals offered. Breakfast cannot be claimed as per diem if the hotel includes breakfast with the lodging cost, this includes continental breakfasts.

The *Travel Expense* form and copies of all required itemized receipts must be submitted with budgetary and supervisory signatures. When traveling in the month of June, the form must be submitted prior to June 30 to ensure it is posted to the appropriate fiscal year. The form must be completed within 30 days of the trip, otherwise special approval by the President is required for reimbursement and payment.

Employee travel reimbursements will be placed in the employee's campus mail.

Lodging

Lodging and related fees/taxes should be paid using an FVCC Purchasing Card (Travel purchasing cards can be checked out from the Business Office for employees who do not have one.) or direct bill to the College. A copy of the itemized receipt from the lodging is required to be submitted with the *Travel Expense Report*. Employees must utilize the best available and cost effective rate for single occupancy. The College does qualify for State Government rates and employees should carry FVCC identification for verification. Airbnb and VRBO (Vacation Rental by Owner) is acceptable if evidence is provided that it is more cost effective and an FVCC purchasing card is used to make the reservation and pay for the stay. No personal charges or meals may be paid for with an FVCC purchasing card and should be taken care of separately at check out. All receipts for charges on a lodging bill, including personal ones, shall be submitted upon return.

Airfare

Airline tickets can be purchased once travel has been approved via the authorized *Permission to Travel* form, as communicated by the Business Office and shall be charged to an FVCC Purchasing Card. This applies to ticket purchases made through an agent, purchased directly from an airline, or purchased from an online source. Standard

weight luggage fees for one bag may be incurred. Travel insurance should not be purchased unless traveling to an international destination. An employee is not to use personal funds for reimbursable travel related expenses, with the exception of per diem meals.

Vehicles

Employees are strongly encouraged to utilize College owned vehicles for authorized travel when available. To request usage of an FVCC vehicle, complete a *Vehicle Request* form and submit with the *Permission to Travel* form (required if expenses are associated with the trip). If an FVCC vehicle is not available, reimbursement will be authorized for the use of an employee's private vehicle at the current mileage rate set by the State of Montana. Employees using FVCC vehicles in an approved travel status will obey all moving vehicle laws and speed limits. The use of a college vehicle is restricted to employee use only. Employees will provide a current copy of their driver's license prior to using a college owned vehicle. It is the employee's responsibility to complete the *Vehicle Usage* form to track the mileage and record the condition of the vehicle. This form will be provided when keys are picked up from the Business Office. Personal credit cards are not to be used to purchase gas for College vehicles. A College gas card will be provided in each vehicle with instructions for use. College purchasing cards are not to be used to purchase gas for private vehicles.

The college is not responsible for any damages that may occur to a private vehicle while traveling on college business. Reimbursement rates for private vehicle mileage are defined by state statute. The *Permission to Travel* and *Travel Expense* forms contain the rates. The current mileage rate can be found at this State of Montana [website](https://montana.policytech.com/dotNet/documents/?docid=916&public=true).
<https://montana.policytech.com/dotNet/documents/?docid=916&public=true>

A map print out (Google maps, MapQuest, etc.) must be submitted with the travel forms verifying the mileage when private vehicles are used. Mileage for personal errands, i.e., shopping, movies, entertainment, are not reimbursable. All mileage reimbursements are calculated from the College's address, unless the distance from home is shorter, to the specific destination's address.

The use of a Kalispell area rental vehicle must be approved by the supervisor and then arranged through the Business Office.

Local mileage does not include travel between FVCC campus buildings OR to and from FVCC to home.

The *Flathead and Lincoln County Mileage Log* form must be submitted on a monthly basis with supervisor signature approval. A map print out must be attached detailing mileage.

Mileage reimbursements must be turned in within 30 days of travel.

Personal Travel Associated with Business Travel

If the employee is authorized by their supervisor to combine a personal component of travel with a business trip, additional costs associated with personal travel must be paid by the employee at their own expense. Absolutely no personal component of travel is to be charged to an FVCC purchasing card.

Documentation must be attached to show no additional cost is being paid by the College. For example: If the employee is staying in a location for additional days he/she must print the flight cost for the that would have occurred otherwise. Single occupancy (1 person) for employee lodging is reimbursable; costs for additional individuals must be paid by the employee.

International Travel

Any travel outside of the 50 states is considered international travel. Any international travel and meal per diem must be pre-approved by the supervisor, relevant Executive Staff member and the President. All regular travel procedures apply to international travel. When traveling out of country, additional trip insurance coverage can be purchased for rental vehicles, etc.

Conference and Registration Fees

Conference registration fees are to be paid with an FVCC purchasing card once approved. Registration receipts must be submitted with a *Check Request* form. Special conference events of a personal nature, such as entertainment, are not reimbursable and must be paid by the employee personally. When trips are canceled that include a prepaid fee, it is the employee's responsibility to apply for a timely refund. Early bird conference rates should be taken advantage of whenever possible.

Meal Per Diem

A meal per diem allowance may be obtained in advance for employees in travel status or the employee can submit for reimbursement on a *Travel Expense* form.

Meal Per Diem advances are submitted via the *Permission to Travel* form. Ideally ten business days are needed for processing these. FVCC Purchasing cards are not to be used to pay for per diem meals. The meal per diem rates have been established by the State of Montana based on a fixed rate and travel times. Employees do not need to submit receipts for in-state and out-of-state meal per diem. Employees may not claim per diem for meals that they do not utilize, or meals that are included in/or provided by the lodging, conference or meeting that the employee is attending.

To be eligible for meal per diem while traveling on College business, FVCC follows Montana State Law (2-18-502 MCA) which states that in order to claim an allowance for a meal, an employee must be in a travel status for more than three continuous hours within one of the following time ranges and be at least 15 miles from campus or home, whichever is closer.

Meal per diem times and rates can be found in Montana State Law (2-18-501 MCA). Current rates can be found on the State of Montana's [website: https://montana.policytech.com/dotNet/documents/?docid=893&public=true](https://montana.policytech.com/dotNet/documents/?docid=893&public=true)

Travel is considered to be out-of-state from the time a flight is boarded to a destination outside of Montana. Travel status for airline begins 1 1/2 hours before the flight departure time.

Miscellaneous Expenses

Some miscellaneous business expenses associated with business travel are reimbursable, including unanticipated but approved items. Individual expense items must be supported itemized receipts and included on the *Travel Expense* form. If an itemized receipt is not submitted, no reimbursement will be provided.

Examples of allowable miscellaneous expenses include taxi fares and baggage fees. Non-reimbursable expenses include personal telephone charges, alcohol/food charges, non-meal or cash tips, exercise facility charges, hotel movie charges, and other like expenses.

Fiscal Year End Procedures

FVCC is required by the state to record all activity in accordance with generally accepted accounting principles (GAAP). GAAP requires that expenditures be recognized in the accounting year incurred, which creates the necessity for recording expenditure accruals. The Montana Operations Manual (MOM) defines an expenditure accrual as the recognition of expenditures for valid obligations incurred but unpaid as of the end of the fiscal year.

Deadlines:

- **May 15 or next business day:** Last day for new purchase orders, blanket purchase orders, purchasing card charges, orders placed using a vendor charge account (Amazon, Lowes, Home Depot, Ace, etc.) and Central Office Supply orders.

- **June 15 or next business day:** All check requests, purchase orders and blanket purchase orders must be submitted with documentation to process payment in the current fiscal year.
- **June 15 or next business day:** Last day for departmental charges at the FVCC Bookstore.
- **June 18 or next business day:** Bookstore physical inventory.

When current fiscal year charges must happen after May 15th, it is critical to communicate with the Business Office to ensure the transaction is recorded in the proper fiscal year.