Are quotations required for purchases under $2,500?

AVIS TEAM: although we do not ask for three quotes, we may ask for additional supporting documents – e.g. food purchases should have a written quote, conference registration fees should have the conference registration material and/or application.

Quotations are recommended (SHARI, SUMI, JEFF: insert “but”)

not required for purchases under $2,500. (Reference APM A8.250.4a)
Parceling

Department is purchasing 8 computers that totals over $2,500. Department obtains quotations for all 8 computers. 5 are to be shipped to location A while the other 3 are to be shipped to location B. Department is processing two separate POs for shipping purposes. Is this considered parceling?

No. The fact that quotations were obtained for all 8 computers up front satisfies the source selection process.
Foreign Purchases

- SHARI, SUMI, JEFF: title “Foreign Purchases/payments”
- Are additional forms required for a purchase order to a foreign vendor? Are additional forms required for a payment to a foreign vendor?
- MARILYN: Additional forms for a payment to a foreign vendor (RCUH):
  - Funds Transfer Fax Request Attachment 43
  - UH Form WH-1 (Individuals)
  - W-8 Form (Foreign Entity)
- Purchase Order: Aside from any applicable procurement documents, e.g. sole source, no additional forms are required for a purchase order to a foreign vendor.
- Payment: ?
  - AVIS TEAM: RCUH requires a manual check for payment, cannot be approved on-line
  - SHARI, SUMI, JEFF: RCUH- submitted manually to RCUH Disbursing for review and processing. The applicable W8 Form must be completed by the vendor and attached to the payment doc.
What can and cannot be purchased with the P-Card? Can the P-Card only be used for office supplies?

Refer to Usage Guidelines on the P-Card website (www.hawaii.edu/oprpm/pcard) and APM A8.266 more for information.
**Computers**

- How often can a department purchase computers? Is there a limit to the amount of computers one employee can have?
- Departments/programs can purchase computers as often as needed provided funds are available and computers will be used for business-related purposes. There is no limit to the amount of computers one employee can have. Principal Investigators and Department Chairs should exercise discretion when determining computer purchases for their departments/programs. Computers/laptops have a useful life of 3 years per UH depreciation schedules. (Reference APM A8.554)
- MARILYN: For extramural grants, the number of amount purchased is dependent on the grant’s approved budget
- SHARI, SUMI, JEFF: Computers purchased on extramural funds should be made in accordance with grant teams and conditions in OMB Circulation A-21
Our program purchases recruitment cards through Fedex Kinkos. These cards contain information about our study and a contact number to call for interested participants. These purchases do not run through Creative Services for approval. Should these recruitment card purchases run through Creative Services for approval?

- Need to contact EAUR for clarification.
- MARILYN: No, recruitment cards do not need to run through Creative Services. Recruitment cards are usually temporary use, not permanently use like projects that come and go. Therefore, it is okay that the recruitment cards do not use the UH Logo.
- SHARI, SUMI, JEFF: No need go through creative services anymore. If UH seal not being used, can use any picture, right? Cite the: [www.hawaii.edu/offices/eaur/stationary.html](http://www.hawaii.edu/offices/eaur/stationary.html)
- AVIS TEAM: What is EAUR? If no reference to UH/ no UH logo is on the card, Creative Services approval is not necessary
Is there a limit to the amount of employees that can purchase membership to the same organization?

There is no limit. Ideally, one employee can share his/her memberships benefits with students, faculty, and staff.

AVIS TEAM: APM A8.265, Page 17 – allows for Institutional membership

OMB A-21 – allows for institutional membership

We approve individual membership but usually grant it only to one member. No casual hires, no Non-comps. If many employees want to belong, perhaps an institutional membership should be purchased. If an employee doesn’t share, do not renew the membership next year.
Memberships

- Can membership for a non-compensated employee be purchased? How about a casual hire?
- Like training purchases, membership purchases should be made when there is reasonable assurance that the knowledge and/or skills acquired by the employee will remain to the University for a period of time. (Reference APM A9.160) Due to the short nature of their employment, casual hires and/or employees at less than half-time are not eligible for such purchases. Ok for Non-Comps?
- MARILYN: Yes, we can pay membership non-comps and casual hires if justified. SHARI, SUMI, JEFF: yes, as long as benefits. As long as there is a benefit to the project. Why can’t a casual line/<50% get membership?
SHARI, SUMI, JEFF: what is this question???

- What’s the point of purchasing membership for an employee that doesn’t attend membership conferences or doesn’t share membership benefits?

- The department chair and/or principal investigator should exercise discretion when approving membership purchases for their employees. Ideally, one employee can share his/her memberships benefits with students, faculty, and staff.
Under the RCUH Procurement Attachments Index, there is a Tax Exemption of Scientific Contracts with the United States [Memo] (Attachment #3), which explains that certain federal projects are exempt from paying the General Excise Tax on qualified scientific work purchases. Who can sign this memo?

**SHARI, SUMI, JEFF:** Memo doesn’t need to be signed. Just FO, name & contact number should be written.

- Fiscal Officers can sign this memo. Thereafter, the signed memo can be forwarded to the vendor.
Despite sending the Tax Exemption of Scientific Contracts with the United States [Memo] (Attachment #3), the vendor is still charging tax on a qualified federal purchase. What can be done to correct this problem?

Additional literature such as the following can be forwarded to the vendor for clarification. Out-of-State vendors may have difficulty understanding the difference between Hawaii’s General Excise Tax versus other states’ Sales Tax.

- [http://www.state.hi.us/tax/taxfacts/tf96-01.pdf](http://www.state.hi.us/tax/taxfacts/tf96-01.pdf)
The vendor is asking for a tax exempt certificate. Where can I get this tax exempt certificate?

There is no tax exempt certificate for the University of Hawaii. When out-of-state vendors ask for a tax exempt certificate, they are referring to a Sales Tax exempt certificate. Since Hawaii does not have a sales tax, such a certificate does not exist. Refer to attach email for clarification (Ken Lum email).
Inventory

- How can I ensure a decal will be issued for a controlled property purchase?
- Use a controlled property subcode 77x9 for the purchase/payment. A report will be generated with all purchases charging 77x9 type subcodes. The Fiscal Office will issue decals accordingly.
Inventory

- What if I didn’t use a controlled property subcode 77x9? Can I still get a decal issued for a controlled property?
- Yes. If the account code is still active, the FO can process a journal voucher (JV) to change the subcode to a controlled property subcode. If the account code is not active, a JV will not be possible. However, purchase/payment information on the controlled property can be retrieved and a decal can still be issued.
How do I remove a controlled property item from the inventory system?

Complete an FMIS-76 Disposal Application. Once approved by the Fiscal Office, the form will be returned for disposal certification. Upon signing the disposal certification, return form to the Fiscal Office. The Fiscal Office will then delete the controlled property item from the inventory system.
How can I dispose of controlled property or equipment items?

JABSOM Kakaako has an eWaste pallet that can accept computers and related peripherals. Certain scientific equipment may require special disposal. Refer to the JABSOM Environmental Health and Safety Office (EHSO) for guidance.
Can I donate an useable inventory item to a non-profit organization?

Useable but unwanted inventory, called excess property, shall be made available first to other UH departments via UH swapmeet or the Facilities Planning Warehouse. If there is no interest, then the excess property shall be made available to other state agencies via State Procurement Office. If there is still no interest, then the property, now deemed surplus property, may be donated to nonprofit, tax exempted charitable organization or a City or county agency within the State. (Reference APM A8.518 and Fiscal Officer Training > Inventory)