



Procurement of Goods and Services*

*Incorporates previous University Policies 3.5, Paying for Services (Independent Contractors/Consultants); 3.5.1, Service Provider Payments (Independent Contractors/Consultants)-Weill Cornell Medical College; and 3.12, Procurement Card

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POLICY STATEMENT

Cornell University's Board of Trustees delegates significant procurement authority for the acquisition of goods and services from external sources on the university's behalf. This authority is ultimately delegated to designated purchasing agents and contracting officers. These stewards of university funds must base such purchases on sound business practice, best value, accountability, and compliance with donor, sponsor, and regulatory requirements. Further, the university expects individuals making purchases to follow the principles referenced in this policy, as well as the procedures prescribed in the university's official *Buying Manual*.

REASON FOR POLICY

With Cornell University's decentralized operations, it is appropriate to establish an overarching policy to guide all procurement transactions. Responsible stewardship in the expenditure of university funds entails the proper combination of price, quality, reliability, service and delivery terms, and compliance with donor and sponsor requirements.

ENTITIES AFFECTED BY THIS POLICY

- All units of the university

WHO SHOULD READ THIS POLICY

- Anyone wishing to procure goods and/or services on behalf of Cornell University and his/her supervisor and administrator.

WEB ADDRESS FOR THIS POLICY

- This policy: www.dfa.cornell.edu/policy/policies/procurement-goods-and-services
- University Policy Office: www.policy.cornell.edu

POLICY 3.25
Procurement of Goods and Services

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RELATED RESOURCES

University Policies and Documents Applicable to All Units of the University

[University Policy 3.6, Financial Irregularities, Reporting and Investigation](#)

[University Policy 4.2, Transaction Authority and Payment Approval](#)

[University Policy 4.6, Standards of Ethical Conduct](#)

[University Policy 4.10, Use of Cornell's Name, Logos, Trademarks, and Insignias](#)

[University Policy 4.14, Conflicts of Interest and Commitment \(Excluding Financial Conflict of Interest Related to Research\)](#)

[University Policy 8.6, Environment, Health, and Safety](#)

[Cornell University Terms and Conditions of a Purchase Order](#)

[Procurement Services' Buying Manual](#)

University Policies and Documents Applicable Only to Ithaca Campus Units

[University Policy 3.2, Travel Expenses](#)

[University Policy 3.9, Capital Assets](#)

[University Policy 3.10, Recharge Entities, Ithaca Campus Units](#)

[University Policy 3.14, Business Expenses](#)

[University Policy 4.3, Sales Activities on Campus](#)

External Documentation

[Americans with Disabilities Act of 1990 - PL 101-336](#)

[National Association of Educational Purchasing \(NAEP\) Code of Ethics](#)

[Office of Management and Budget Circulars A-21, A-110](#)

University Forms and Systems

Ithaca Campus Units

[Business Meal Detail Form](#)

[Certificate of Insurance](#)

[Charge Dispute Form](#)

[Corporate Card Member Agreement Form](#)

[Independent Consultant Agreement](#)

[OSP Request to Engage a Consultant](#)

[Performer and Service Provider Contracts](#)

[Card Programs Applications](#)

[Procurement Card Tutorial](#)

[Service Provider Evaluation Worksheet](#)

[Service Provider Questionnaire](#)

[Single-/Sole-Source Justification Form](#)

Weill Cornell Medical College Campus Units

[Approval for Temporary Employment](#)

[Independent Contractor Checklist](#)

[Independent Contractor Questionnaire](#)

[Service Provider Agreement](#)

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CONTACTS – ITHACA CAMPUS UNITS

Direct any general questions about this policy to your college or unit administrative office. Direct questions about specific issues to the following offices.

Subject	Contact	Telephone	Email/Web Address
Policy Clarification and Interpretation	Procurement and Payment Services	(607) 255-3804	procurement@cornell.edu www.procurement.cornell.edu
Architectural, Engineering, and Construction Services, Procurement of	Facilities Contracts	(607) 255-3982	finance.fs.cornell.edu/contracts/main.cfm
Audit Services, Procurement of	University Audit Office	(607) 255-9300	audit@cornell.edu audit.cornell.edu
Capital Assets	Cost and Capital Assets	(607) 255-9368	uco-capasset@cornell.edu
Contract Interpretation, Legal Issues Legal Services, Procurement of	University Counsel	(607) 255-5124	counsel.cornell.edu
Contracting for Services	Procurement and Payment Services	(607) 255-3804	procurement@cornell.edu www.procurement.cornell.edu
Contracts, New York State (NYS)	Procurement and Payment Services	(607) 255-3804	procurement@cornell.edu www.procurement.cornell.edu
Emergency Order	Procurement and Payment Services	(607) 255-3804	procurement@cornell.edu www.procurement.cornell.edu
Health and Safety Concerns	Environmental Health and Safety	(607) 255-8200	askehs@cornell.edu sp.ehs.cornell.edu
Independent Contractors	University Tax Office	(607) 255-9465	tax@cornell.edu www.dfa.cornell.edu/tax/
Initial Inquiries or General Questions	Unit Administrator Procurement and Payment Services	Unit-specific (607) 255-3804	procurement@cornell.edu www.procurement.cornell.edu
Insurance Matters	Office of Risk Management and Insurance	(607) 277-1188	risk_mgmt@cornell.edu risk.cornell.edu
International Agreements	Global Operations Procurement and Payment Services		navigate.cornell.edu/hc/en-us
Invoice Processing	Procurement and Payment Services	(607) 255-0869	uco-accts-pay@cornell.edu
Payments from New York State Funded Accounts	University Budget Office	(607) 255-1945	ubo-help@cornell.edu dbp.cornell.edu/home/offices/university-budget-office/
Procurement Card	Procurement Card Administrator	(607) 255-4548	pcard@cornell.edu
Real Estate Services, Procurement of	Real Estate Office	(607) 266-7866	realestate.fs.cornell.edu/

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CONTACTS – ITHACA CAMPUS UNITS, CONTINUED

Subject	Contact	Telephone	Email/Web Address
Small Business Liaison	Procurement and Payment Services	(607) 255-3804	procurement@cornell.edu www.procurement.cornell.edu
Subcontracts	Office of Sponsored Programs	(607) 255-5014	osp-help@cornell.edu www.osp.cornell.edu
Tax Reporting	University Tax Office	(607) 255-9465	tax@cornell.edu
Transaction Authority	Division of Financial Affairs	(607) 255-6243	www.dfa.cornell.edu
Travel Services, Procurement of	Procurement and Payment Services	(607) 255-3804	procurement@cornell.edu
Treasury and Banking Services, Procurement of	Office of the Treasurer	(607) 254-1590	www.dfa.cornell.edu/treasurer/
Unauthorized Purchases	Procurement and Payment Services	(607) 255-3804	procurement@cornell.edu www.procurement.cornell.edu
Use of Cornell Name	Secretary of the Corporation	(607) 255-5127	
Vendor Payments/ Miscellaneous Payments, Processing	Procurement and Payment Services	(607) 255-0867 (607) 255-0869	uco-accts-pay@cornell.edu

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CONTACTS – WEILL CORNELL CAMPUS UNITS

Direct any general questions about this policy to your college or unit administrative office. Direct questions about specific issues to the following offices.

Subject	Contact	Telephone	E-mail/Web Address
Capital Assets	Capital Assets	(212) 680-7125	Julie Wong jaw2002@med.cornell.edu
Contract Interpretation, Legal Issues, Legal Services, Procurement of	University Counsel	(212) 746-0463	counsel.cornell.edu/contact-us/
Health and Safety Concerns	Risk Management	(646) 962-7683	Steven Galeotti stg2009@med.cornell.edu
Independent Contractors	Tax Compliance	(646) 962-3695	Patricia Thorney-Hudson pat2005@med.cornell.edu
Invoice Processing	Accounts Payable	(646) 962-4111	Paul Brown pmb2004@med.cornell.edu
Office of Sponsored Programs Consulting Agreements and Subcontracts	Office of Clinical Trials Administration (OCTA)		Aleta Gunsual alg2047@med.cornell.edu its.weill.cornell.edu/services/research-administrative-systems/crest-clinical-trials-administration weill.cornell.edu/research
Procurement Card	Commercial Card Manager	(646) 962-2854	Eleanor Dzjia eld2026@med.cornell.edu
Risk-Insurance Concerns	Risk Management	(646) 962-7683	Steven Galeotti stg2009@med.cornell.edu
Tax Reporting	Tax Compliance	(646) 962-3695	Patricia Thorney-Hudson pat2005@med.cornell.edu
Transaction Authority	Finance Office	(212) 680-7050	Joseph Schwartz joseph.schwartz@med.cornell.edu
Travel Services, Procurement of	Procurement	(212) 680-7110	
Treasury and Banking Services, Procurement of	Treasury Services	(212) 680-7063	Katie Slack kas2061@med.cornell.edu
Unauthorized Purchases	Procurement	(212) 680-7110	John Frain jof2026@med.cornell.edu
Vendor Payments/ Miscellaneous Payments, Processing	Accounts Payable	(212) 680-7110	Paul Brown pmb2004@med.cornell.edu
Weill Cornell Medical College Procurement	Procurement	(212) 680-7110	John Frain jof2026@med.cornell.edu

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DEFINITIONS

These definitions apply to terms as they are used in this policy.

Agreement	See "Contract," below.
Authorized Purchases	Purchases that have contracts approved by Procurement Services and/or purchase orders in place prior to receiving goods or services and that comply with the buying method defined in the Buying Manual.
Bid	A request for competitive quotation or proposal from a qualified vendor for the purpose of issuing a purchase order and contract for the procurement of goods or services.
Business Expense	A charge for goods or services, whether paid, committed, or accrued, that fosters or supports the ongoing missions of the university. These charges may include expenses (expenditures), debt service payments, and capital outlays.
Conflict of Interest	A situation in which a member of the university community has the opportunity to influence the university's business, administrative, academic, or other decisions in ways that could lead to personal gain or advantage. Refer to University Conflicts policy.
Contract	A written, legally binding agreement between Cornell and an external supplier.
Diverse and Small Business Administration	A federal program that encourages the engagement of entities that are federally recognized as being "small, disadvantaged business enterprises."
Emergency Situation	The occurrence of an unanticipated and sudden situation that is life-threatening, catastrophic in nature, or involves pressing necessity for immediate repairs, reconstruction, or maintenance in order to permit the safe continuation of a necessary use or function, or to protect the property or the life, health, or safety of any person.
e-procurement	The use of electronic systems to purchase goods and services and to process payments to third parties. Cornell's e-procurement system is named e-SHOP.
Foreign National	An individual who is not a citizen of the United States and does not have a permanent resident status or an entity that does not have a place of business or an office in the United States.
Goods	Tangible property for sale, lease, or rental (also known as merchandise or commodity).
Independent Contractor	An individual or entity engaged to perform services and commonly referred to as consultant, freelancer, contractor, etc. This service provider is not supervised by Cornell employees.
Memorandum of Understanding (MOU) for Spend Delegation	An informal, written record containing the terms of a transaction or agreement signed between Procurement and Payment Services and one or more other unit(s) of Cornell University.
Personal Gift/Gratuity	A gift in excess of \$75.00 given to a Cornell employee for personal use. Items not considered gifts/gratuities include occasional business meals, items of an advertising nature, and items that are generally distributed to all potential customers.
Preferred Supplier	A supplier with which Procurement and Payment Services has negotiated and/or implemented a university-wide agreement, and that Procurement Services endorses as the "best overall value" in providing products, services, delivery, and customer service.

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DEFINITIONS, CONTINUED

Procurement Agent	An individual who is part of the procurement organization at Cornell and has been given transaction authority by the head of the procurement function to negotiate, authorize, and execute contracts on behalf of Cornell University.
Procurement Card (pcard)	A credit card issued by a financial institution to Cornell University to make purchases directly from vendors. The individual named on the card is authorized to make certain business purchases on behalf of Cornell University, and the bill is paid directly by the university.
Purchase Order	A legally binding contract for purchase between the university and the vendor.
Service	An activity in which labor is the major factor and not merely incidental to the production, acquisition, and/or delivery of a good.
Spend	An act of using funds to purchase goods or services, or the funds spent by a unit through its procurement processes.
Supplier	See "Vendor" definition, below.
Transaction Authority	The authority to execute transactions or agreements with external parties that commit the university (see University Policy 4.2, Transaction Authority and Payment Approval).
Unauthorized Purchases	Goods obtained outside of the allowable purchasing method as defined in the Buying Manual, or services received without a fully executed contract and/or purchase order as defined in the Buying Manual. Examples of unauthorized purchases are those that are not in compliance with any aspect of this or other university policy, including improper bidding and/or making commitments for payments without proper authorization. Unauthorized purchases increase legal and financial risks for the university.
Unit	A college, department, program, research center, business service center, office, or other operating unit.
Vendor	An individual or organization that provides specified and agreed upon goods and/or services to the university. May be used interchangeably with "Supplier."

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RESPONSIBILITIES — ITHACA CAMPUS UNITS

Director, Procurement and Payment Services	<p>Negotiate procurement terms and conditions, and issue contracts with external suppliers based upon price and best value.</p> <p>Commit the university to procure and pay for goods or services, where appropriate.</p> <p>Approve the execution of all purchases, where authority has not been delegated.</p> <p>Delegate spending authority to units or individuals based on business needs specific to the unit(s).</p> <p>Execute a Memorandum of Understanding (MOU) when a business need exists to delegate the procurement function to units or individuals outside of Procurement Services.</p> <p>In consultation with stakeholders and the delegated unit or individual, conduct annual reviews of delegations to assess the need for continuation and whether modification is needed.</p> <p>Withdraw delegations to units or individuals where there has been a failure to follow this policy.</p> <p>Establish procedures for documenting delegated procurement methods in accordance with applicable regulations.</p> <p>Maintain and communicate updated procedural documentation in the <i>Buying Manual</i>.</p> <p>Where procedures established by delegated units differ from those outlined in the Procurement Services <i>Buying Manual</i>, review such procedures, and approve, where appropriate.</p> <p>Maintain records of procurement transactions where responsibilities have not been delegated.</p> <p>Communicate procurement policy and procedure changes to stakeholders, including delegated units, customers, and suppliers, as needed.</p> <p>Provide guidance and be a resource to Cornell University on procurement-related matters.</p>
Unit Head with Spend Delegation	<p>For his or her unit, perform the same procurement responsibilities as the director of Procurement and Payment Services.</p> <p>Maintain current MOUs and oversee their correct implementation.</p> <p>Submit documentation, to the director of Procurement and Payment Services, of procedures that differ from those in this policy.</p>
University Controller	<p>Maintain records of disbursement and distribution transactions routed to the Office of the Controller for approval.</p>

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RESPONSIBILITIES — WEILL CORNELL CAMPUS UNITS

Weill Cornell Medical College (WCMC) Controller

Negotiate procurement terms and conditions, and issue contracts with external suppliers based upon price and best value.

Commit the university to procure and pay for goods or services, where appropriate.

Approve the execution of all purchases where authority has not been delegated.

Delegate spending to units or individuals based on business needs specific to the unit(s).

Execute a Memorandum of Understanding (MOU) when a business need exists to delegate the procurement function to units or individuals outside of Procurement Services.

In consultation with stakeholders and the delegated unit or individual, conduct periodic reviews of delegations to assess the need for continuation and whether modification is needed.

Withdraw delegations to units or individuals where there has been a failure to follow this policy.

Establish guidelines for documenting delegated procurement methods in accordance with applicable regulations.

Maintain and communicate updated procedural documentation in the *Buying Manual*.

Where procedures established by delegated units differ from those outlined in the Procurement Services *Buying Manual*, review such procedures, and approve, where appropriate.

Maintain records of procurement transactions where responsibilities have not been delegated.

Communicate procurement policy and procedure changes to stakeholders, including delegated units, customers, and suppliers, as needed.

Provide guidance and be a resource to Cornell University on procurement-related matters, as needed.

Maintain records of disbursement and distribution transactions routed to the Office of the Controller for approval.

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PRINCIPLES

Ethical and Legal Considerations in Procurement

The university must comply with the laws governing its operation. Individuals and units making purchases on behalf of the university must adhere to specific practices in bidding, purchasing, and paying for goods and services with Cornell funds. These practices are driven by compliance with applicable laws and regulations, university policies, and sound and ethical business management.

Detailed procedures for compliance with this policy are prescribed in the university's official Buying Manual, which is maintained by Procurement and Payment Services.

Standards of Ethical Conduct

Units or individuals procuring goods or services on behalf of the university must comply with University Policy 4.6, Standards of Ethical Conduct in the course of all transactions. Examples of illegal and unethical practices include engaging in price fixing arrangements; bid rigging acts; agreements with competitors to divide or allocate markets or customers; falsifying accounting records; intentional misrepresentations to the university's auditors; bribery; kickbacks; and political contributions. In addition, all procurement professionals are expected to follow the standard code of ethics established by the National Association of Educational Purchasing (NAEP) (see Related Resources).

◆**Caution:** Personal gifts or gratuities must be declined, and if received, returned to the vendors or suppliers (see the Definitions section of this document).

Purchases/Rebates/Free Merchandise

If a vendor offers free merchandise or a rebate with purchase, that merchandise or rebate is the property of Cornell University. Rebates will be returned to the account that was utilized to pay for the purchase. Free merchandise will be turned over to the unit's director/department head for appropriate distribution (e.g., departmental use, drawing for all faculty/staff, charitable donation).

Conflict of Interest

The university expects its faculty and staff to avoid any real or potential conflict of interest when procuring goods or services on its behalf. For additional information, refer to university policies 4.6, Standards of Ethical Conduct, and 4.14, Conflicts of Interest and Commitment.

Authorized Purchases

Units or individuals procuring goods or services on behalf of the university must comply with University Policy 4.2, Transaction Authority and Payment Approval.

Business Purpose

Units and individuals must not make purchases from suppliers that are not for an approved business purpose. (See University Policy 3.14, Business Expenses.)

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PRINCIPLES, CONTINUED

Procurement of goods or services for personal use is strictly prohibited, including the use of Cornell discounts, tax-exempt status, etc. Procurement for the purposes of resale must be made in accordance with the requirements of this policy. All subsequent resale activity must be done in accordance with University Policy 4.3, Sales Activities on Campus.

Vendor Selection

The vendor selection process at Cornell University must identify the best, most qualified and/or suitable vendor to meet the needs of the university, while complying with all applicable laws and regulations. Vendor selection and approval must be managed by an authorized procurement agent. In many cases, vendors are preselected based on campus input, screened, and negotiations have already been conducted, resulting in preferred supplier agreements. Where such agreements exist, units must procure goods and services from these preferred vendors regardless of dollar amount or procurement method, unless you are purchasing from a local or diverse vendor in accordance with the purchasing hierarchy as a specified in [Buying Manual section 102, Requirements for Vendor Selection and Order Creation](#). In situations where a preferred supplier agreement does not exist and where the purchase exceeds the formal bid limit, units must identify a vendor through competitive bidding, unless an appropriate justification (as defined by the *Buying Manual*) and an alternative method of selection are specifically authorized by a procurement agent or other university-endorsed contract, e.g., a New York State contract, Group Purchasing Organization, etc.

Bidding Process

Cornell University will engage in competitive bidding in a manner that creates a fair, open, and competitive environment for qualified vendors, and that secures the best value possible.

Units must adhere to the following requirements when engaging the bid process:

Obtain a minimum of three formal bids when a purchase will exceed the formal bid limit as defined in the *Buying Manual*, except when purchases are made from a preferred vendor (other exceptions noted in Procurement Services' *Buying Manual*; for example, state-appropriated and federal funds).

1. Submit official bids using approved bid methods outlined in the *Buying Manual*.
2. Share information equitably and in a timely fashion with all involved parties.

Environmentally Preferred Procurement

Cornell University will identify and promote environmentally responsible procurement by featuring sustainable products and services, practices, processes, and procedures.

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PRINCIPLES, CONTINUED

Supplier Diversity

Cornell University will promote the development of significant and mutually beneficial business relationships with diverse and local suppliers. Particularly when utilizing federal and state funds to procure goods and services, the university will put forth a good-faith effort to utilize diverse businesses, when practical. For more information on diverse suppliers, see www.sba.gov/services.

Small Business Administration

Cornell University will promote equal access to Cornell University's procurement opportunities.

Relationships with Suppliers

Cornell will maintain the highest standards of business ethics and conduct when interacting with suppliers. Relationships with suppliers will support the promotion of environmentally preferred practices, diverse business utilization, and small businesses.

Delegated Authority for Purchases and Contracts

The Board of Trustees has delegated transaction authority for procurement to various individuals and offices at Cornell University. Only these individuals are permitted to carry out such delegated transactions. For a list of such transactions and the responsible offices, please refer to Appendices B, C, and D of University Policy 4.2, Transaction Authority and Payment Approval. These individuals must follow the requirements of the policy governing transaction authority in carrying out such delegated transactions.

In cases where transaction authority for procurement is delegated to Procurement Services, the director of Procurement and Payment Services may further delegate that authority to certain individuals for particular transactions related to their functional responsibilities (see appendix B of this document).

Unless delegated as above, the director of Procurement and Payment Services is authorized and responsible for:

- Negotiating all procurement terms and conditions
- Committing funds on behalf of the university to procure and pay for goods or services, including equipment
- Approving the execution of all purchases of goods and services

Where a business need exists to delegate the procurement function to units or individuals outside of Procurement Services, the director of Procurement and Payment Services will execute a written "Memorandum of Understanding" (MOU), which will contain the specifics of the delegation, including the scope, reason, and time limit for the delegation. In addition, the primary responsible party for the delegation must be identified and agreed upon by both the unit and the director of Procurement and Payment Services.

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PRINCIPLES, CONTINUED

Procurement Services will review the delegation periodically to assess the need for continuation of the agreement and whether any modifications or other alignment is needed.

Delegated units must develop procedures consistent with the requirements of this policy. If the procedures followed by the unit differ from those outlined in the official *Buying Manual*, those procedures must be documented, attached to the MOU, approved by the director of Procurement and Payment Services, and are subject to periodic review.

Failure of a unit or individual to follow university policy may result in withdrawal of the delegated authority.

For a sample MOU for Spend Delegation, see appendix A. For a list of the delegated spend categories and the responsible individuals, see appendix B.

Procurement and Payment Methods

Cornell's e-procurement system is the preferred method for initiating an order for goods and services. For suppliers enabled in this system, units should utilize this procurement tool for all transactions with that supplier to ensure that the unit receives Cornell's negotiated pricing. For the preferred supplier utilization hierarchy, refer to the *Buying Manual*.

For goods and services not available through Cornell's e-procurement tool, a purchase order or a similarly approved method of committing funds is required.

In addition, units must use an approved payment method when paying for goods or services. The following are the approved payment methods:

- Procurement Card
- Direct payment to the vendor by check or equivalent electronic payment methods

For restrictions related to each of these methods of payment, see appendix C. For procedures related to each of these payment methods, refer to procedural documentation in the Procedures section of this policy.

Procurement Card

A procurement card (pcard) is a university liability credit card that is issued in an employee's name and may be used for certain low-dollar, business-related purchases. A pcard may be issued only to an employee whose job responsibilities include procurement. Since the cards are a university liability, the bill is paid centrally by Cornell for all balances, and no purchase order or reimbursement process is necessary.

Because the pcard allows the end-user to pay for goods and services directly, without a preapproval process, specific rules and regulations on the use of pcards have been

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PRINCIPLES, CONTINUED

documented in the Procurement Card section of the *Buying Manual* referenced in the Procedures section of this policy.

◆**Caution:** Failure to use the pcard in compliance with university policy, including the Procurement Card section of the *Buying Manual*, can result in the suspension or revocation of the pcard and possible disciplinary action. Fraudulent use of the pcard can result in employee termination, expulsion from school (for students), and criminal charges.

Individuals holding a university pcard must do the following:

- Comply with all terms outlined in the Procurement Card section of the *Buying Manual*.
- Keep his or her pcard number confidential; lending or sharing the card is not allowed.
- Comply with the per-transaction and cycle limits assigned to the card.
- Purchase only business-related items permitted by University Policy 3.14, Business Expenses; personal purchases are not allowed on the pcard.
- Not purchase any item listed as a “prohibited transaction” in the Procurement Card section of the *Buying Manual*, including the use of a pcard with any supplier available through Cornell’s e-procurement tool, unless specifically authorized by Procurement and Payment Services.
- Submit sufficient documentary evidence, including original receipts and an explanation to support the business purpose of each purchase on the card, as described in the Procurement Card section of the *Buying Manual*.

Travel and Meal Card

For Ithaca-based locations, a travel and meal card (T&M card) is a university-liability credit card that is issued in an employee’s name and may be used for business-related travel expenses, including group, business, and hosted meals. A similar card system is available at Weill Cornell Medicine.

Eligibility

A T&M card may be issued to an employee whose job responsibilities include two or more business-related trips annually and who has not incurred a write-off (i.e., reached 180 days past due) in the past five years on a personal-liability corporate travel card. T&M cards may also be issued to those who book visitor travel or host business meals.

Charges to the T&M Card

Since the cards are a university liability, all expenses charged to the card are paid centrally by Cornell.

For Ithaca-based locations, charges to the T&M cards are automatically uploaded to the university’s travel expense system, Concur. Cardholders must complete expense

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PRINCIPLES, CONTINUED

reports within Concur in a timely fashion in compliance with University Policy 3.3, Travel Expenses for Concur Users.

All charges to the T&M card must be for business purposes only and in full compliance with other university policies, particularly University Policy 3.3, Travel Expenses for Concur Users and University Policy 3.14, Business Expenses. The cardholder is responsible for providing supporting documentation and an explanation of business purpose for all charges to the T&M card.

◆ Cautions:

- Failure to use the T&M card in compliance with university policy, including the terms outlined in the Travel and Meal Card section of the *Buying Manual*, can result in the suspension or revocation of the T&M card and possible disciplinary action. Fraudulent use of the T&M card can result in employee termination, expulsion from school (for students), and criminal charges.
- The T&M card is **not** intended for use as a procurement tool for non-travel goods and services. The card must never be used for services requiring a contract, such as catering.

Cardholder Responsibilities

Individuals holding a university T&M card must do the following:

- Comply with all terms outlined in the Travel and Meal Card section of the *Buying Manual*.
- Keep the T&M card number confidential; lending or sharing the card is not allowed.
- Purchase only business-related items as permitted by University Policy 3.14, Business Expenses; personal purchases are not allowed on the T&M card.
- Ensure that documentation supporting each transaction on the T&M card is stored electronically within Concur and associated with the appropriate expense report.
- Retain original documentation for 60 days after their expense reports have been submitted.

Reimbursement

If an individual is likely to require reimbursement for services or for other than business-related meals, travel, or other infrequent, incidental expenses, his or her business service center (or, at the Weill Cornell Medical College, the Controller) must be contacted for pre-authorization for such expenses.

Contracts

Only Procurement and Payment Services has the appropriate transaction authority to negotiate and execute contracts and issue purchase orders on behalf of the university (see University Policy 4.2, Transaction Authority and Payment Approval). Cornell's

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Procurement of Goods and Services

PRINCIPLES, CONTINUED

approved terms and conditions apply to all contracts, except those that will be paid for with New York State funds.

◆**Note:** Supplier contracts and pricing information are deemed proprietary and must be kept confidential. This information may not be used for any purposes other than official university business, except when public bidding is required.

Independent Contractors

An independent contractor, commonly referred to as consultant, freelancer, contractor, etc., is an individual or entity engaged to perform services. This service provider is not supervised by Cornell employees.

Delegated spend units and individuals must use the university-approved [consulting agreement](#) when engaging the services of independent contractors, available through Procurement Services (see the Procedures section of this policy). Before services commence, the contract must be signed by the service provider and the Procurement and Services agent. Units and individuals must obtain authorization from University Counsel and/or an authorized procurement agent to change the language of the contract. Procedures related to paying for services and independent contractors are outlined in the [Buying Manual](#) referenced in the Procedures section of this policy.

Purchases with Special Requirements

Regulatory, safety, and other organizational needs may necessitate the need for review and approvals from other units or entities before an order can be reviewed by Procurement Services or a delegated procurement professional.

Paying for International Services, Including Payments to Foreign Nationals

In consultation with the authorized Navigate team, which includes representatives from Global Operations, Procurement and Payment Services, the University Tax Office, Risk Management and Insurance, and University Counsel, and based upon Internal Revenue Service (IRS) regulations, units must evaluate whether to classify an international service provider as an independent contractor. This evaluation must occur before engaging an individual or entity to perform services, and before any services begin.

Items with Health and Safety Concerns

Please refer to University Policy 8.6, Environment, Health, and Safety for specific policies regarding procurement and approval of items that may have health and safety considerations (e.g., pest control products).

Purchases of Goods or Services that Impose Insurance Requirements

The individual procuring the good or service must comply with the requirements for insurance established by the Office for Risk Management and Insurance.

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PRINCIPLES, CONTINUED

- Emergency Purchases** When an emergency situation occurs, an authorized procurement agent may make a commitment to a vendor without a formal purchase order. Such transactions would include, for example, an unanticipated and sudden life-threatening or catastrophic event.
- State and Federal Appropriated and Sponsored Funds** Units must comply with all state, federal, and/or sponsor requirements for procuring goods and services when funds from these sources are used. These requirements may include the need for sponsor approval prior to acquisition of goods or services.
- Capital Assets** Capital asset acquisitions, trade-ins, and disposals must be handled in accordance with University Policy 3.9, Capital Assets. Units are responsible for providing timely updates to the university's capital asset system.
- Record Retention** The Office of the Controller and Procurement and Payment Services or the appropriate delegated unit must maintain records of procurement and disbursement transactions routed to their respective offices. These offices also must establish guidelines for documenting other delegated purchasing methods in accordance with applicable regulations. For further details on record retention, see University Policy 4.7, Retention of University Records.

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PROCEDURES

To comply with this policy, you must follow the procedures prescribed in the official *Buying Manual*, maintained by Procurement and Payment Services and available online at www.dfa.cornell.edu/procurement/buyers/manual. This document provides general information, flow charts, forms, and detailed procedures, as detailed in the table below.

◆**Note:** Those units with delegated spend authority that have supplementary or different procedures must submit them to Procurement and Payment Services, per the “Memorandum of Understanding” referenced in appendix A.

Buying Manual Sections

Introduction and Getting Started	Overview of the three main categories of the <i>Buying Manual</i> and steps on how to get started.
General Information	Everyone should read the General Information section, which covers topics for every person at Cornell who initiates transactions to buy goods or services. Included in this section is the topic “Requirements for Vendor Selection and Order Creation,” which outlines the requirements for placing orders through Cornell’s e-procurement tool (e.g., e-SHOP) and for utilizing preferred suppliers.
Paying for Goods and Services that Do Not Require a Purchase Order	Review this section if you are initiating a purchase where authority for reviewing and approving the goods or services has been delegated to a specialized unit (for example, a real estate transaction) or for tangible goods that do not require a purchase order or for travel. This section includes information on non-purchase order payment methods that may be utilized (e.g., procurement card, direct payment by check or electronic equivalent method, and payment options for business travel) and the Procurement Decision Flow Chart.
Credit Card Programs	This section contains all card program procedures, including eligibility, spending limits, roles and responsibilities, prohibited transactions, documentation requirements, etc.
Purchase Order Process	If you determine that a purchase order is necessary, refer to this section, which describes the types of purchase orders available, the requirements for bidding, and additional requirements that apply to certain goods, services, and sources of funds.
Purchases with Special Procedures	This section includes certain sensitive goods and services and orders that are funded by New York State appropriated funds.
Paying for Services	If you are paying for a service, it is essential that you review this section and the Decision Flow Chart to determine if a service provider evaluation is necessary and understand contract requirements.
Shipping and Receiving Procedures	This section includes U.S. customs clearance, receiving and inspecting shipments, and freight terms and claims.
Invoice Processing Procedures	This section includes information on invoice payment, freight bills, and capital equipment.
Quick Reference and Forms	This section contains acronyms, definitions, contacts, links to forms, and the manual’s index.

APPENDIX A: MEMORANDUM OF UNDERSTANDING FOR SPEND DELEGATION

Procurement Delegation

This memorandum of understanding (MOU) documents the terms and conditions for spend delegation from the Director of Procurement and Payment Services at Cornell University to

_____.

Delegation Statement: _____

Reason for Delegation: _____

Delegation Details: _____

(scope, specifics of items/dollar limits delegated)

Certification:

I have reviewed the details and reasons for the spend delegation specified in this document, and I certify that they are accurate.

I agree to follow the policy requirements laid out in University Policy 3.25, Procurement of Goods and Services. The internal procedures followed in my spend unit match/do not match those outlined in the official Buying Manual. Documentation of procedures is attached with this MOU. Any changes to our policies or systems will be documented and submitted to Procurement and Payment Services.

The outlined procedures are designed in a manner that meets the policy requirements laid out in University Policy 3.25, Procurement of Goods and Services.

I agree to a periodic review of the MOU with the understanding that terms and some details may be subject to change upon agreement between the parties.

I certify that I am the designated individual authorized to sign off on the delegation.

Signature	Printed Name	Title: Unit	Date
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I approve the delegation as outlined above.

Signature	Printed Name	Title: Director of Procurement and Payment Services	Date
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APPENDIX B: SPEND DELEGATION

Cornell University’s Board of Trustees delegates significant procurement authority for the acquisition of goods and services from external sources on the university’s behalf. This authority is ultimately delegated to designated purchasing agents and contracting officers, and may be further delegated by Procurement and Payment Services. Below is the current list of the types of transactions delegated by Procurement Services to other units at Cornell University.

Purchases with Current Delegation from Procurement and Payment Services

Unit	Type of Delegated Transaction
All Units	Procurement of goods and services using an automatic purchase order (APO)
All Units	Procurement of goods or services with a procurement card
Cornell Store	Retail operations
Division of Campus Life, Cornell Dining Operations	Food
Division of Human Resources	Search and recruitment firms
Plantations Gift Store	Retail operations
Statler Hotel and School of Hotel Administration	Food
University Libraries	Catalogued library acquisitions
Weill Cornell Medical College and Graduate School of Medical Sciences	Procurement transactions not otherwise delegated by the Board of Trustees in the Transaction Authority policy for Weill Cornell Medical College

APPENDIX C: PAYMENT METHODS

Cornell's e-procurement system is the preferred method for initiating an order for goods and services. For goods and services not available through Cornell's e-procurement tool, the primary method of procurement at the university is the purchase order. Purchase orders represent the university's offer to buy goods and services, and when all parties have fulfilled the obligations outlined in the university's terms and conditions, the university will issue a payment to the vendor.

Certain goods and services do not require review by Procurement and Payment Services or the delegated unit and may be eligible for payment by another approved method. Each of these alternate methods has its own set of restrictions, which should be reviewed carefully before initiating payment.

The following are additional approved payment methods:

Procurement Card

- Individuals who have been issued a university procurement card (pcard) may pay for certain goods and services with this credit card. These payments are generally of a low dollar value where no pre-approval process is necessary. For details on the pcard and a list of the goods and services that are prohibited from payment by pcard, please refer to the Procurement Card section of the [Buying Manual](#).

Direct payment to the vendor by check or equivalent electronic payment methods

- Procurement and Payment Services determines which goods and services will not require a purchase order based on certain risk factors, such as tax and insurance requirements. Because these risk factors change from time to time, the list of goods and services also may change. Consult the Buying Manual for the most current information on those goods and services that may be eligible for payment by check or an equivalent electronic payment method.
- Certain goods and services under the formal bid limit as defined in the Buying Manual, which do not require review by Procurement Services, may not be appropriate for payment by pcard (e.g., the vendor does not accept credit cards; the good or service is prohibited from payment by pcard). Therefore, a request to pay a vendor with a university check or equivalent electronic payment method (without the issuance of a purchase order) may be appropriate.

Travel & Meal Card

- Individuals who travel for university business and meet eligibility requirements may be issued a "travel and meal card," also referred to as the T&M card. The T&M card is to be used for transportation, lodging and group, business, or hosted meals, including locally hosted meals, in compliance with University Policy 3.3, Travel Expenses for Concur Users and 3.14, Business Expenses. The T&M card is not intended for use as a procurement tool for non-travel goods and services and must never be used for services requiring a contract, such as catering. For further details on the T&M card, please refer to the Credit Card Programs section of the Buying Manual.

Out-of-pocket reimbursement

- Personal reimbursement is not an acceptable payment method for purchasing goods or services on behalf of the university. Individuals should contact their business service center (or, at the Weill Cornell Medicine, the Controller) to determine the appropriate payment options.

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