Shown below are the FY 2013 guidelines and methods of spending to be followed by all GPC personnel:

**Fiscal 2013 Spending**

As we open our financial system for business in fiscal 2013, Financial Affairs is also rolling out a new discipline surrounding spending or obligating GPC funds. This discipline is necessary for several reasons including:

- The 2013 budget is significantly leaner and we must live within our means.
- Our commitment to our stakeholders that we will bring fiscal integrity back to GPC.

Here is a recap of the new spending procedures that are effective immediately. These new procedures are consistent with Board of Regents policy and State regulations. Following this summary is a high level listing of purchasing methods available.

- All expenditures **must** have prior approval by a Dean, Director or above. This will primarily be handled automatically through e-Pro requisition. Each department number in PeopleSoft will be assigned a department manager. The PeopleSoft department manager will be a GPC employee that is at the appropriate level to approve purchases. P-card or petty cash expenditures must have documentation showing prior approval at the required level.

- All approved obligations **must be encumbered in advance** of the purchase through purchase order. Again, this will be primarily accomplished through e-Pro requisition, which results in a purchase order. The only exceptions to the purchase order requirement are p-card, emergency spending, and petty cash reimbursements.

- Invoices that are submitted for payment at the same time that an e-pro requisition is submitted, or for which there was no purchase order issued, will be considered purchasing violations that may subject the department or employee to corrective action.

- Contracted services must be encumbered at a realistic dollar amount to ensure funds do not lapse. Encumbrance levels should be reviewed periodically throughout the year to ensure they are at the level of projected need for the fiscal year.
• Blanket purchase orders may be used to encumber annual estimates for known expenses such as utilities, telephone service, uniforms, etc. Blanket purchase orders will be closed by year-end since they do not represent legal commitments of the College.

• Inactive purchase orders for specific goods are subject to closing after 6 months of inactivity. Each requestor is responsible for ensuring goods or services received are invoiced in a timely manner.

• Unencumbered funds in lapsing funds may be swept from department budgets at the communicated year-end purchasing deadline.

• Expense reimbursements must be submitted within 45 days from the date that the expense was incurred in order to receive reimbursement. More information regarding travel authorization and reimbursement is forthcoming.

• Agency fund, Grant, Student Activity, Athletic, and Technology fee purchases are not exempt from these procedures and follow the same requirements as all other funding sources.

• As we continue to look for ways to economize, purchase of certain items that would otherwise be allowable expenditures may be prohibited. For example, Ink Jet printer cartridges (and Ink Jet printers) may not be purchased with GPC funds in fiscal 2013.

• Keep in mind that all technology, whether PC’s, peripherals, or services, is also routed through OIT for approval and will therefore take longer to process requests.

Thank you in advance for your patience and cooperation with these new procedures. They are absolutely essential to our financial success in FY2013.

Methods for Obligating or Spending Funds

By State of Georgia code only the Chief Purchasing Officer (CUPO), the Executive Vice President of Finance and Administration, or the President may pledge credit on the College’s behalf. The purchaser may be personally liable for any purchase made without prior approval from an official named above. All purchases, except where noted below must be encumbered via a purchase requisition prior to the receipt of goods or services.

P-Cards
One of the few exceptions to the directive above is P-Card purchases of approved supplies and materials within established limits. Approval from a Dean, Director, or above must be obtained in advance of the purchase. Prior approval documentation must be kept on file. Please see the P-Card manual at http://depts.gpc.edu/~gpclogic/P-CardCardholderPPManual6-27-11.pdf for full rules and regulations governing the P-Card.

Contracts
All contracts obligate the College and are only allowed when approved through proper channels beginning with the Purchasing Department in Logistical Services. Please contact Logistical Services before signing any contract. Contracts must be encumbered through a purchase requisition that is fully executed by Logistical Services. Contracts signed outside this approved process may become the personal obligation of the individual signing the contract.

**Payment Requests**
Payment requests are not an approved method to purchase except in very limited circumstances. Payment requests, with prior approval by a Dean, Director or above, may be used for:
1. Payments on open Purchase Orders or partial payments on any Purchase Order.
2. Institutional memberships and dues under $150.
3. Conference/Meeting registration once travel is approved via the Prior Authorization for Travel form.
4. Library Books and Periodicals.
5. Student Stipend and Reimbursements.
7. Teacher Stipend Payments (Non-Employee).
8. Writers for the Chattahoochee Review, up to $200.

Purchases made for reimbursement via a payment request that do not meet the criteria outlined above may be denied.

**Petty Cash**
Petty cash purchases are for emergencies only and cannot be used as a convenience. Please refer to the petty cash policy at: [http://depts.gpc.edu/~gpcgov/policies/New300/317.pdf](http://depts.gpc.edu/~gpcgov/policies/New300/317.pdf). Purchases made that do not comply with the established policy may become the responsibility of the purchaser.

If you have any questions, please contact Jim Barnaby at 678-891-3326.