## MATERIALS MANAGEMENT 2.00

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POLICY

Materials Management is a department within the Eastern Virginia Medical School Administration Division reporting to the Office of the Vice President for Administration and Finance.

The Department of Materials Management handles the Medical School procurement function, which includes negotiations with vendors and the execution of purchasing transactions. Materials Management is also responsible for mail services, central receiving and distribution, asset management, storage facility, minor office and furniture moves and all other associated procurement needs and services. Installation or repairs of furniture and equipment is not provided.

The Department of Comparative Medicine is authorized to execute purchases for animals due to requirement by the U.S. Department of Agriculture. Refer to policy - Animal Request Form 2.11.5. Similarly, the Department of Radiation Safety is authorized to execute purchases for radioactive materials. Refer to policy - Radioactive Material 2.11.6.

The Director of Materials Management is the Medical School’s chief procurement agent and contracting officer and shall administer the school procurement program by recommending policy, and developing, publishing and enforcing appropriate procedures; notifies appropriate levels of management of improprieties; delegating procurement authority to departments as appropriate; comparing requisitions for purchase with reasonable standards; reviewing the procurement delegation and activity/records of departments for legality and compliance with this policy.

MISSION STATEMENT: To acquire and administer the procurement of all goods and services for Eastern Virginia Medical School with the objective of obtaining the best overall value in a timely manner while providing quality customer service for all internal customers including the areas of mail services, distribution of goods received, asset management, and other related services.

All purchase commitments must be handled in accordance with the Medical School’s institutional procurement policies, which are in accord with the US Office of Management and Budget Circular A-110, the Commonwealth of Virginia Purchasing Manual for Institutions of Higher Education & Their Vendors and The Virginia Public Procurement Act as it is applicable. All procurement will be made in a fair and ethical manner without impropriety or the appearance of impropriety. Each procurement must be able to sustain the test of public review for all purchases.

The allocation of budget funds to a department provides only an authority to requisition, not to purchase.
The procurement policies and procedures contained herein apply to all purchases made in the name of the Eastern Virginia Medical School, regardless of the source of funds.

All persons involved in the procurement process shall effect proper planning so as to obtain the quantity, quality, and the timeliness of delivery of procurement at the best overall value to the Medical School. Emergency procurement shall be permitted only to protect personal safety or property, not to compensate for improper planning. An emergency is an occurrence of serious or urgent nature that demands immediate action. The potential loss of funds at the end of a fiscal year is not considered to be an emergency.

The Medical School is not responsible for payment of any invoice received where a purchase order number was not obtained.

Authority to sign procurements contracts for Eastern Virginia Medical School is delegated to the President, Vice President for Administration and Finance, and the Director of Materials Management; each may further delegate that authority in writing as appropriate. A list of such delegations and the dollar limit of authority shall be maintained in the Department of Materials Management. Such delegations shall include the training needed to assure compliance with applicable laws and regulations and to uphold the integrity of the Medical School. Refer to policy - Contracting Authority 15.11.
SALES TAX 2.10.2

POLICY

The Eastern Virginia Medical School is exempt from Virginia retail sales and use taxes. To realize this exemption, the Medical School is required to submit Form ST-12 “Sales and Use Tax Certificate of Exemption,” along with a Medical School purchase order, to the vendor. Utilization of the “Requisition” procedures: Section 2.11.1, enables the Medical School to take advantage of this exemption. Accordingly, sales taxes are not a reimbursable expense for items ordered through the EVMS requisition process.

For valid purchases made from petty cash funds, sales tax is reimbursable.
POLICY

The Eastern Virginia Medical School does not enter into purchasing contracts with students, faculty, staff or members of their immediate families.

Acquisitions from a business in which an employee has an interest are prohibited unless full disclosure of the background facts is presented in writing to the Director of Materials Management. If approved by the Director of Materials Management, then recommendation will be forwarded for final approval by the Vice President for Administration and Finance.

Under no circumstances will an employee having official responsibility for procurement transactions and/or vendor selection be permitted to also enter into purchasing contracts with the Medical School.

The Medical School adheres to the procurement standards established by the US Office of Management and Budget for educational institutions, Circular A-110, under section __.42 and the Virginia Public Procurement Act, Article 6, 2.2-4369.

Interest is deemed present if the employee and/or his or her spouse or unemancipated minor children own 10 percent of the business.

It is the policy of the Eastern Virginia Medical School to refuse personal gifts or gratuities offered in connection with the purchasing function.

Medical School faculty and staff may not accept personal gifts or gratuities from any current or potential supplier of goods or services to the Medical School.

Employees having official responsibility for procurement transactions may attend vendor-sponsored seminars, trade shows, site visits and demonstrations where they will benefit from receiving product information and learning of new techniques and product or service trends. Employees may accept food, drinks and give-away items offered to all participants at these functions.
COMPETITIVE BIDS 2.10.4

POLICY

Competitive bid quotations are secured by Materials Management in accordance with the following guidelines:

Once approved requisitions and supporting documentation (if applicable) are received by Materials Management, the following ranges of processing times for award of a purchase order and/or contract can normally be expected.

- **$ 1 - $5,000** (1 – 14 days)
  - Bids may or may not be solicited. Purchases may be made upon receipt of one written or telephone quotation. If there is reason to believe a single quotation is not a fair and reasonable price, additional competition should be sought.

- **$ 5,001 - $25,000** (3 – 25 days)
  - The Materials Management Department obtains three quotations, either in writing or by telephone, (to be confirmed by letter) unless the product or service is covered by Virginia State Contract, Educational and Institutional Cooperative Service, Inc., are sole source items, are emergency purchases, covered under another recognized cooperative purchasing agreement or contract, or are purchases of used equipment.

- **$ 25,001 - $50,000** (5 - 45 days)
  - The Materials Management Department obtains three written competitive quotations, unless the product or service is covered by Virginia State Contract, Educational and Institutional Cooperative Service, Inc., are sole source items, are emergency purchases, or covered under another recognized cooperative purchasing agreement or contract, or are purchases of used equipment.

- **$ 50,001 and up** (14 - 60 days)
  - The Materials Management Department solicits Invitations for Bid (IFB) or Request for Proposals (RFP) unless the product or service is covered by Virginia State Contract, Educational and Institutional Cooperative Service, Inc., are sole source items, are emergency purchases, or covered under another recognized cooperative purchasing agreement. A minimum of four qualified vendors will be solicited.

The requisitioning department shall not use multiple requisitions or “splitting orders” of like items to circumvent the dollar limitations and bidding process.
COMPETITIVE BIDS 2.10.4

All property and plant maintenance contracts and service contracts are awarded by competitive bid process as required in accordance to this policy. Refer to policy - Maintenance Contracts 2.11.7 & Service Contracts 2.11.9.

Rental, lease, or installment purchase of materials, equipment or supplies is handled in the same manner as the purchase of goods. The decision between the options of “leasing vs. purchasing” an equipment or asset lie with the Director of Finance.

Sole source purchases are those items or services, which are available from only one source, and only that source’s product/service will fulfill the user’s requirements. Competition is not available in a sole source situation.

Proprietary purchases are those items or services available/acceptable from only one manufacturer but may be purchased from several vendors/distributors at varying costs. Although all sole source specifications are proprietary, all proprietary specifications are not sole source. Every effort must be made to obtain full competition among the distributors which carry the manufacturer’s product. Proprietary purchases exclude consideration of proposed “equal” products. Appropriate use of proprietary specification when desired product:

- Must be compatible with or is an integral component of existing equipment or products.
- Must be prequalified to support specific needs of a program.
- Is covered by a patent or copyright.
- Must yield absolute continuity of results – one with which a user has had extensive training and experience, and the use of any other similar piece of equipment would require considerable reorientation and training.

Justification for Sole Source Purchase Form (Appendix 2.10.4A), supported by factual data and signed by the Department Head or Account Executive, must accompany all sole source request over $5,000 and approved by the Director of Materials Management or his designee. Sole source justification based solely on a single vendor’s capability to deliver in the least amount of time is not appropriate since availability alone is not a valid basis for determining a sole source procurement.

The following goods or services are considered Demand Payments where competition normally is either not practicable or available:

- Books, printed materials, reprints and subscriptions (e.g. print or electronic), videocassettes and slide presentations when only available from the publisher/producer.
COMPETITIVE BIDS 2.10.4

- Academic/research consulting services.
- Honoraria, entertainment (speakers, lecturers, musicians, performing artists).
- Royalties and film rentals when only available from the producer or protected distributors.
- Membership dues.
- Writers and Artists.
- Consulting/covering physicians.
- Photographers (other than graduation and yearbook photographers).
- Contributions and donations made by the medical school.
- Advertisements in newspapers, magazines, journals, radio or television.
- Utility charges.
- Conference facilities (to include conference support and related lodging and meals) only when the use of a specific facility is directed by an outside donor, sponsor or organization.
- Accreditation fees.
- Academic testing services.
- Transplants, related transplant services, and implants.
- Pass-through-procurements. (Examples include contracting for alumni functions for which the Medical School is reimbursed by the alumni and materials purchased for students by a faculty member using State funds and for which the students fully reimburse the institution.)

PROCEDURES

1. The Materials Management Department maintains a list of all persons and firms who wish to bid on Medical School purchases. Invitations to bid are solicited from those vendors whom the Materials Management Department determines will stimulate viable competitive bidding.

   A supplier/vendor evaluation record is maintained to provide a history of performance by each supplier/vendor.

   Evaluations are reviewed annually and future activity with each vendor is then based on these evaluations.

2. The Invitation for Bid (IFB) or Request for Proposals (RFP) is solicited to at least four vendors and is held for maximum two weeks or a shorter stated day and time depending on required due date for the products and/or services being solicited.
3. Each vendor submits a bid to the Materials Management Department. Materials Management may, at their option, accept a verbal bid, to be followed by a confirming written bid from the vendor.

4. The Materials Management Department selects the best bid (best bid is not determined by price alone) and a Purchase Order is issued to the vendor in accordance with normal procedures.

5. Vendors are responsible for the accuracy of their quoted prices. In the event of a discrepancy between a unit price and its extension, the unit price governs.

6. The bid process is based on negotiated bids. Both the vendor and the Medical School can adjust and amend the request for bid and vendor response up until the time of acceptance and issuance of the purchase order. All responsive bidders will be given this same opportunity.

7. It is the vendor's responsibility to ensure that their quotations are received in the Materials Management Department no later than the appointed hour of the bid opening date as specified on the request for bid. Extensions can be requested, however, approval is at the discretion of the Director of Materials Management.

   All bids and quotations are date and time stamped as proof that they were received prior to the requested date and time.

8. Price quotations and agreements are given to the Medical School in confidence and are not revealed to any other vendor or unauthorized person.
POLICY

The Medical School is a political subdivision of the Commonwealth of Virginia and is classified as an educational institution and is declared to be a public body and constituted as a governmental instrumentality for the dissemination of education. VA Code 23-14. Thus, may participate as an authorized user of state contracts. Nonprofit Cooperative Contracts are used whenever possible and when the price, quality and service are beneficial. Independent vendor contracts are used when applicable to hold a firm competitive price for a stated period of time.

The Medical School has been a corporate member of the Virginia Minority Supplier Development Council since July 1980. The school also cooperates with the Department of Minority Business Enterprise and the US Small Business Administrations when opportunities are available. It is the Medical School’s stated policy to seek out and use minority/small business vendors when prices and deliveries are within reasonable parameters.

The Medical School does not discriminate against faith-based organizations in accordance with the code of Virginia, section 11-35.1, or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

Vendors are selected for their ability to serve the needs of the Medical School in the most reliable, economical and efficient manner possible. Past performance and cooperation are important factors. Vendors must comply with the Equal Opportunity Act since it is the policy of the Medical School to promote the full realization of equal employment opportunity through an Affirmative Action Program. Vendors must also comply with other laws and directives as they are issued.

The Medical School follows federal guidelines when making purchases including, but not limited to, the following:

- Equal Employment Opportunity
- Copeland "Anti-Kickback" Act
- Davis-Bacon Act
- Contract Work Hours and Safety Standards Act
- Rights to Inventions Made Under a Contract or Agreement
- Clean Air Act and the Federal Water Pollution Control Act
- Byrd Anti-Lobbying Amendment
- Debarment and Suspension
The Medical School also require vendors upon acceptance of the purchase order to follow the following governmental guidelines:

- Product(s) furnished meets all applicable safety standards of the Commonwealth of Virginia.

- The company is in compliance with the Civil Rights Act of 1964, as amended.

- The company is not on the Department of Health and Human Services (HHS) and Office of Inspector General’s (OIG) monthly list of excluded individuals/entities from providing medical services and supplies to Medicare, Medicaid or other federal health care program participants.

- The company confirms that should the company perform work which requires it to have access to the Medical School’s Protected Health Information (PHI), agrees to ensure the integrity and confidentiality of PHI; protect against any reasonably anticipated threat or hazards to the integrity or confidentiality of PHI; and ensure compliance by their officers and employees in addition to any other guidelines pertaining to business associates as mandated by the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

- The company’s products and/or services are in compliance with the Information Technology Access Act. VA code 2.1-811 as it is applicable regarding information technology contracts.

- The company and any subcontractors involved has obtain and will maintain the insurance required by law to perform the type of work required during the entire term of the contract. This includes workers’ compensation, employer’s liability, commercial general liability, automobile liability, professional liability/errors and omissions insurance coverage.

- The company confirms that during the performance of any contract on the Medical School’s property, the contractor agrees to provide, notify their employees, and enforce a drug-free workplace.

The company is properly licensed and registered and has obtained the necessary permits to perform services as required by state statutes and any related regulatory agencies. For purchases of $1,000 or more involving construction, removal, repair or improvement of any building or structure permanently annexed to real property or any other improvement to such real property, the contractor must possess one of the licenses issued by the State Board for Contractors for the type of work involved. (i.e. Contractor License A or B or C)
VENDORS will periodically contact personnel or departments in an attempt to sell their products. Caution must be exercised to ensure the Medical School is not committed to the purchase of any products or services without following the correct purchasing procedures. Vendor sales efforts of a voluntary, consultative, or advisory nature are welcomed as are technical assistance since it is helpful for many procurement inquiries; however, their visit should be coordinated with the Department of Materials Management when in doubt.

Request to sponsor a particular vendor or group of vendors on campus to promote their products or services to the Medical School through events such as a product display or demonstration show, informative seminars, or any special presentations must be approved by the Director of Materials Management. Once approved, the announcement, scheduling and arrangements of the events should be coordinated through the Department of Materials Management.
POLICY

1. Business Mail

For all incoming mail, each building has a mail room with specific boxes for each department. Delivery to these boxes will occur twice a day (outlying elements may be handled differently.) These boxes will receive incoming postal and interoffice mail.

There will be separate boxes for outgoing interoffice mail and outgoing postal mail. These pickups will occur on the same schedule as incoming deliveries. The afternoon pickup will occur no earlier than 1:30 p.m. The morning pickup will not occur before 10:30 a.m.

2. Bulk Mail

Bulk mail preparation (presorting) is the responsibility of the department. Departments sending bulk mailings will have to either presort their mail prior to requesting pick-up from Mail Services or will need to contract the use of a presort bureau or letter shop to prepare their mail.

The special nonprofit bulk rate stamp cannot be used without the appropriate return address.

The United States Post Master has ruled that all bulk mail must have as part of the return address portion of the mailing the name “Eastern Virginia Medical School” or “Medical College of Hampton Roads.”

In order to properly allocate mail expenses, each department must have the department name and number preprinted or hand written as part of the return address.

To use the school’s bulk permit number, a check for the exact cost of the bulk mailing must be presented to the post office with each bulk mailing. Therefore, a time specific requisition must be submitted to Materials Management prior to the anticipated mailing.

Departments should contact Mail Services after bulk mail has been properly prepared for pick-up to U.S. postal office. For instructions on presorting, refer to the documentation “Info: Bulk Mailings” posted on Materials Management’s intranet site.
PROCEDURE

- Annual “mailing fee” must be paid to United States Postal Service before depositing the first mailing.

- Each mailing must have at least 200 pieces or 50 pounds for Standard Class Mail.

- Each piece must have a complete delivery address with the correct ZIP Code or ZIP + 4 code. ZIP Codes must be updated yearly using a USPS-certified process.

- Postage claimed for each piece is based on the sort level of the mail in the tray or sack.

- Mailing must be presorted – grouping the mail by ZIP Code.

3. Personal Mail

No personal mail can be included in the regular departmental mail for Materials Management pickup. In the lobby or mail room of each Medical School building, there is a mailbox marked “personal mail” for employee’s personal mail only.

Each box is emptied twice daily by Materials Management mail room personnel for delivery to Norfolk’s mail U.S. Post Office. Afternoon pickups begin by 1:30 p.m.

The Medical School address should only be used for receipt of business related mail. Personal mail should not be sent to the Medical School address.

The Eastern Virginia Medical School is not responsible for problems encountered with personal mail.

The Materials Management Department may not process personal mail for employees including packages and certified mail.
EASTERN VIRGINIA MEDICAL SCHOOL
FINANCIAL AFFAIRS POLICIES AND PROCEDURES
MATERIALS MANAGEMENT

EQUIPMENT EVALUATION 2.10.7

POLICY

Equipment received by the Medical School for evaluation or trial purposes must have an assigned purchase order number or a completed "Authorization to Leave Demo or Loaner Equipment at the Eastern Virginia Medical School" form (See Appendix 2.10.7A).

Departments that borrow equipment from outside the Medical School are accepting responsibility for the care, custody and control of these items.

Copies of the form are distributed as follows:

- Materials Management
- Requisitioner
- Vendor
- Receiving

Equipment shipped without Materials Management authorization will be shipped at the sole risk of the vendor. Any commitments made at that time by anyone other than the Director of Materials Management will not be honored by the Eastern Virginia Medical School.

A memo or letter of understanding between the Medical School and the equipment’s owner must be executed before acceptance of equipment that describes the item, states it’s condition, and the terms of the agreement, including which party assumes the risks of transportation.

The vendor(s) will provide their own insurance during the trial for any equipment delivered and on loan to the Medical School.

Materials Management and Risk Management Office must be notified if, except for fair wear and tear, the borrowed item is not returned in the same condition as when received.
POLICY

Materials Management maintains a perpetual equipment and furniture inventory listing based on recorded fixed assets in the OneSource procurement system.

A periodic equipment and furniture inventory review is performed as needed for selected departments for all equipment and furniture with an original purchase cost of $500 or more.

Departments are responsible for safeguarding all equipment in their possession and for promptly advising Materials Management of all changes (acquisition, transfer between departments, disposition, cannibalization, destruction, loss, theft, etc.) in the status of centrally recorded equipment. Refer to policy - Transfer, Sales, Disposal of EVMS Property 2.10.9 for guidelines. In addition, certain status changes (unexplained loss, theft, damage, destruction, etc.) must also be reported to Risk Management and/or Campus Police offices as soon as discovered. Departments may request listings of fixed assets assigned to them at any time.

PROCEDURES

1. Inventory schedules indicating equipment on hand in each department are sent to the appropriate department secretary by the Materials Management Department.

2. The departments match the inventory schedules prepared by Materials Management to the equipment actually on hand in the departments at the time of the review.

3. Any discrepancies from the schedules are noted in red, with an explanation of the cause of the discrepancy, and the corrected equipment inventory schedules are returned to Materials Management.

4. Materials Management prepares corrected equipment inventory schedules and accumulates dollar totals by department.

5. The corrected inventory schedules are forwarded to the Financial Services Department for verification and adjustment of the fixed asset general ledger records.
POLICY

Any transfer, sale, or disposal of EVMS property with an original cost of $10,000 or over must be approved by the Vice President for Administration and Finance.

All sales of equipment or other property purchased with State funds shall be based wherever feasible on competitive bids. If the amount of the sale is estimated to exceed $5,000, sealed bids shall be solicited by public notice, inserted at least once in a newspaper of statewide circulation, and at least five calendar days before the final date of submitting bids.

Any proposed sale, transfer, or disposal of equipment purchased with restricted funds must be approved by the Grants Accounting Office.

Procurement and private benefit regulations from the IRS strictly forbid a for-profit entity or individual to profit from an exempt organization. In order not to jeopardize EVMS’ tax exempt status, all transactions with for-profit entities or any individual must be considered arm’s length transactions and/or reasonable compensation for the goods/services received.

If disposing of equipment to a third party, the following guidelines must be followed:

- The equipment must be assigned a fair market value by a valid and documented method.

- If the equipment is to be traded for services, the service must be assigned a fair market value by a valid and documented method. The service value cannot be less than the assigned fair market value of the equipment in question.

- A request for disposition, including the fair market value and the method used to determine the value, must be forwarded to the Vice President for Administration & Finance or the Director of Finance for approval.

- Once approved, the equipment can be sold to a 3rd party for the assigned fair market value or in trade for the approved service.

- All the documents, including payment/receipt of the service, must be forwarded to the Controller’s office for recording.
PROCEDURES

The following procedures apply to any transfer, sale, or disposal of EVMS property:

1. Prior to transferring, selling or disposing of any EVMS furniture or equipment (“property”), the Request for Disposition of Property, Plant and Equipment Form (Appendix 2.10.9.A) must be completed and approval signatures obtained as indicated. The form is also used to adjust inventory records for lost, stolen, or destroyed furniture and equipment. Actual disposition of any property, plant and equipment must not be made until after all approvals have been received.

2. The person completing the disposition request should obtain inventory control information from the Financial Services Department’s Controller at 446-6055 or Materials Management at 446-5220 in order to complete the form prior to approvals.

3. After completion, the form is forwarded to the Director of Materials Management for signature who then forwards the form to the Director of Finance. Materials Management then makes the appropriate notations in the equipment inventory schedule.

4. After approval by the Director of Finance, copies are forwarded to Materials Management and to the person submitting the request form.

5. For equipment or furniture stored in Materials Management warehouse and involves transaction with for-profit entities or any individual 3rd party, owner will be required to be present during the removal or pick-up of the property.
POLICY

Any Eastern Virginia Medical School employee that requires the use of EVMS equipment at home must have the approval of the Department Chairman/Head prior to removing the equipment from EVMS premises. If the equipment is damaged or destroyed off premises by a peril (wind, fire, etc.) the loss is covered by EVMS insurance. If the equipment is destroyed off premises by the carelessness of the employee, (dropped, spilled liquid on equipment, etc.) the employee may be responsible for the loss under his/her own Homeowner’s, Renter’s or Automobile insurance. If equipment is removed from EVMS premises without following these procedures, the employee accepts personal liability for any loss incurred.

Notify Risk Management immediately at 446-6009 of any loss.

PROCEDURE

1. Any Eastern Virginia Medical School employee that requires the use of EVMS equipment at home must complete a Property/Equipment Removal Slip (Appendix 2.10.10.A) prior to the removing the equipment from EVMS premises.

2. The following information is required on the form:
   - Date
   - Building from which property is being removed
   - Brief description of property
   - Serial or property tag number

3. The individual removing the property, the Department Head and an EVMS police officer must sign the removal slip. The slip is distributed as follows:
   - White Copy .... .......... .......... Department
   - Pink Copy ...... .......... .......... EVMS Police Department
   - Yellow Copy .. .......... .......... Requestor
4. When the equipment is returned to EVMS premises, the individual must reclaim the white and pink copies of the Property/Equipment Removal Slip from the Department Head and EVMS Police Department. The employee should retain all copies for their records.
POLICY

Materials Management maintains a perpetual equipment and furniture inventory listing by assigning identifiable asset tags. Criteria for assignment are based on commodity class, original purchase cost (starting book value) and funding sources.

COMMODITIES
- Appliances
- Computer-Hardware, Peripherals, Systems
- Copier
- Electronic Devices
- Equipment-Minor (<$1000), Major ($1000-$4999), Capital (=>$5000)
- Furniture
- Office Equipment
- Photographic / Video Equipment

MEDICAL SCHOOL
- $1 to $499
  Prefix: EVMS
  Color Tag: BLACK
- $500 to $999
  Prefix: EVMS
  Color Tag: RED
- $1000 +
  Prefix: EVMS
  Color Tag: BLUE

EVMS HEALTH SERVICES
- $1 +
  Prefix: HSF
  Color Tag: LIGHT BLUE
  (Acct. No. #121 - _ _ _ _ _ _ _ _ _ _ _ _ _ )

US GOVERNMENT (Federal Grants)
- $1 +
  Prefix: FED
  Color Tag: GREEN
  (Acct. No. #109 - _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ )
  (Acct. No. #109 - _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ )
  (Acct. No. #109 - _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ )
  (Acct. No. #109 - _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ )
EASTERN VIRGINIA MEDICAL SCHOOL  
FINANCIAL AFFAIRS POLICIES AND PROCEDURES  
MATERIALS MANAGEMENT  

EQUIPMENT/FURNITURE ASSET TAG 2.10.11

PROCEDURE

1. Materials Management will assign asset tags to all equipment and furniture at the time actual receipt into Central Receiving warehouse.

2. Color of asset tags assigned to a particular equipment or furniture will be based on the original purchase value and/or funding source.

3. Equipment and furniture that are considered inside delivery on campus or directly shipped to satellite locations will be asset tagged after departments have confirmed its arrival. It is the recipient’s responsibility to notify Materials Management of such receipts.

4. Person accepting the delivery of equipment or furniture must inform Materials Management at the time of acceptance of delivery the name of the actual recipient or user and the equipment or furniture’s anticipated location.
POLICY

Storage of equipment and furniture is subject to Materials Management’s warehouse space availability and approval from the Director of Materials Management.

Equipment and furniture storage is limited to one year. Exceptions should be submitted in writing to the Director of Materials Management for approval with reference to an ending date or event.

After one year in storage, departments will be required to select one of the following options regarding the deposition of their equipment or furniture:

- Sell, Transfer, or Trade (internal EVMS)
- Sell or Trade (external EVMS)
- Return to Department
- Disposal – Equipment or furniture has become unusable, unserviceable or obsolete.

Prior to any action being taken, approval from the department chair/head will be required.

Storage of sensitive electronic equipment for long periods is discouraged due to the environmental conditions of the warehouse.

Computers and/or components marked for disposal by the department may be used by the Information Technology Management Team (ITMT).

A listing of all equipment stored in Materials Management will be published on Materials Management’s intranet site. Refer to the documentation “List: Equipment / Furniture Storage Inventory”.

PROCEDURE

1. Request for storage of equipment and furniture should be indicated on either one of the following forms:

   - Moving Notification Form – Property, Plant And Equipment
     (if items are to be moved by department or an outsource vendor – Appendix 2.10.12A)
•  Moving Service Request Form – Property, Plant and Equipment
   (if items are to be moved by Materials Management – minor office and furniture moves only, total move requiring 1 hour of service or less – Appendix 2.10.12B)

2. All equipment and furniture stored in the Materials Management warehouse will be labeled for ownership and dated upon receipt.

3. After one year in storage, Materials Management will send out notices to departments informing them of required action for disposition.

4. In the case of internal EVMS sale or trade, the department requesting the equipment in storage is responsible to contact the owner for authorization and any transfer cost. Materials Management will not release equipment without required approval from the original department. Request for Disposition of Property, Plant and Equipment Form (Appendix 2.10.9A) required.

5. If a transaction involves a for-profit entity or an individual 3rd party, Materials Management can assist with setting a fair market value price.
STORAGE OF RECORDS/FILES 2.10.13

POLICY

Storage of files is subject to Materials Management’s warehouse space availability and approval from the Director of Materials Management. Do note that Materials Management does not have the capability to store medical record files. Non-medical record files containing “Patient Protected Health Information” (PHI) must be indicated at the time of storage.

Everyone storing files in Materials Management will be required to review their files for possible disposal update on an annual basis. Thus, each department storing files will be requested to send a qualified representative to the file storage area at least once each year.

The individual will review and identify files for destruction/disposition (destruction costs will be charged to the owning department). This individual will also arrange for repackaging of files as deemed appropriate by Materials Management for any files in dilapidated, unserviceable or non-uniform containers.

PROCEDURE

1. Request for file storage should be made on the *Moving Service Request Form – Property, Plant and Equipment* (Appendix 2.10.12B)

2. A container specifically designed for file storage must be used. These containers are Banker Boxes, Check Boxes or other file containers with long-term moisture resistance.

3. Each container must be clearly labeled to indicate each the following:
   - Department Name
   - Name of Contact Person
   - Description of Content
   - Date of Storage
   - Date of Disposal
   - If Records Contain Patient Protect Health Information

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Approved: Board of Visitors

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4. Each file box must have a full identification label noted on the ends. Boxes without proper labeling will not be accepted. Labels can be printed directly from Materials Management’s intranet site. Refer to the documentation “Labels: Records / File Storage”.

5. If there are retention regulations that require permanent storage, indicate the word “Permanent” for the date of disposal.
POLICY

Purchases for the following products or services required additional approval from various established authorities before requisitions are considered fully approved for processing by Materials Management. Thus, departments are responsible to use the correct object code when entering these types of requisitions. Failure to use the correct object code will circumvent required authorities’ ability to review them in OneSource. Requisitions received by Materials Management using object codes other than those listed below will be returned to the department for correction, thus delaying processing of such orders.

- The following requires Information Technology Management Team (ITMT) approval. Refer to policies – IT Acquisitions 1.60 and Computer Related Acquisitions 2.11.8.

<table>
<thead>
<tr>
<th>OBJECT CODE</th>
<th>OBJECT CODE DESCRIPTION</th>
<th>ITEMS COVERED</th>
</tr>
</thead>
<tbody>
<tr>
<td>007361</td>
<td>IT HARDWARE &lt;$5K (*FORM)</td>
<td>Computer-Desk, Laptop, PDA, Notebook</td>
</tr>
<tr>
<td>007362</td>
<td>IT SOFTWARE (*FORM)</td>
<td>Computer, Network Devices</td>
</tr>
<tr>
<td>007363</td>
<td>IT NETWORK DEVICES &lt;$5K</td>
<td>Copiers, Printers, Scanners</td>
</tr>
<tr>
<td>007364</td>
<td>IT AV/TELECOM &lt;$5K (*FORM)</td>
<td>Audiovisual, Teleconferencing</td>
</tr>
<tr>
<td>007409</td>
<td>IT SOFTWARE MAINT CONTRACTS</td>
<td>Upgrades, Support, Helpdesk</td>
</tr>
<tr>
<td>007412</td>
<td>IT COMPUTER SERVICES (*FORM)</td>
<td>Consulting, Programming, Assistance</td>
</tr>
<tr>
<td>007527</td>
<td>IT HARDWARE MAINT CONTRACTS</td>
<td>PCs, Printers, IT Equipment</td>
</tr>
<tr>
<td>007761</td>
<td>IT HARDWARE &gt;$5K (*FORM)</td>
<td>Computer-Desk, Laptop, PDA, Notebook</td>
</tr>
<tr>
<td>007762</td>
<td>IT SOFTWARE – CAPITAL BUDGET ONLY (*FORM)</td>
<td>Computer, Network Devices</td>
</tr>
<tr>
<td>007763</td>
<td>IT NETWORK DEVICES &gt;$5K</td>
<td>Copiers, Printers, Scanners</td>
</tr>
<tr>
<td>007764</td>
<td>IT AV/TELECOM &gt;$5K (*FORM)</td>
<td>Audiovisual, Teleconferencing</td>
</tr>
</tbody>
</table>

- Retail Advertising: Requires Public Affairs approval. Use object code 007406.
ADDIITIONAL APPROVAL REQUIRED 2.10.14

Refer to policy - Advertising 2.14. This does not include classified advertising relating to recruitment for open positions.

- Temporary Assistance: Requires either Office of Business Affairs or Health Services approval. Use object code 007404.
POLICY

Eastern Virginia Medical School is classified as an education institution and is declared to be public body and constituted as a governmental instrumentality for the dissemination of education in the Commonwealth of Virginia. VA Code 23-14.

Thus, the Medical School is exempt from all personal property and other similar taxes and governmental charges associated with the ownership and daily rental of equipment. VA Code 58.1-3606 and 58.1-3510.1

This exemption does not apply to leased property. VA Code 58.1-3501.
POLICY

Eastern Virginia Medical School uses the Central Receiving process for the receipt and distribution of most goods ordered with the exception of furniture, equipment requiring vendor installation, live animals, radioactive materials, gases, control substances, office supplies (desktop delivery) and items to off-campus satellite locations. Central Receiving staff will receive and check all goods, and normally, forward the items to the designated recipient within one day of actual receipt of goods.

This use of one receiving location for most incoming goods facilitates accurate financial accounting and timely vendor payment. Consolidating deliveries also reduces overall campus vehicle congestion. Thus, departments must refrain from instructing or accepting direct shipments from vendors unless approved by the Director of Materials Management.

The following off-campus locations are authorized to receive direct deliveries from vendors:

- Plastic Surgery, 5589 Greenwich Rd., Virginia Beach, VA
- Tidewater Perinatal Center, 1080 First Colonial, Virginia Beach, VA
- Chesapeake Perinatal Center, 109 Wimbledon Sq., Chesapeake, VA
- Maternal Fetal Medicine, 500 J Clyde Morris Blvd., Newport News, VA
- Perinatal Center, 500 J Clyde Morris Blvd., Newport News, VA
- CONRAD Program, 1611 N. Kent Street, Arlington, VA
- Northern VA/Jones Institute, 8501 Arlington Blvd., Fairfax, VA

Departments receiving direct deliveries from vendors are responsible to forward a copy of their confirmed packing slips for shipments received to Materials Management on the day of actual receipts so that system transactions can be made on a timely basis.

Timely receipt of delivery confirmations from all satellite locations are very important as it contributes to Materials Management's ability to continue being proactive and efficient in allocating the necessary resources for shipment verifications on behalf of all departments. Failure to do so will result in delays by Materials Management in tracking the department’s past due or incomplete orders.

Departments are ultimately responsible for inspecting and accepting goods or services purchased. Inspection is the close and critical examination of goods or services delivered to determine conformance with applicable contract requirements or specifications. Rejection of goods or services is the responsibility of the receiving department when the goods or services do not meet contract requirements.
In the event of a partial or total rejection, Materials Management should be immediately notified upon receipt of non-conforming, broken or damaged materials. Appropriate actions will be taken or directed by the Materials Management staff. The material and packaging should be held in a secure place until disposition instructions are issued. Concealed damages or loss must be reported to the carrier and the vendor within seven (7) days of initial receipt by the Medical School. Failure to do so may relieve the vendor of responsibility for the damages.

Central Receiving will deliver shipments only to the receiver indicated on the printed delivery ticket from OneSource. The name of the receiver is from the original approved requisition. If the recipient is not present at the time of delivery and there are no designees to receive on their behalf, then Central Receiving will bring shipments back for redelivery the next day. After three (3) unsuccessful attempts, departments will have to make arrangements to pick their products up at the Materials Management facility. Items that are not pick-up after 2 weeks, shipment will be returned to vendor for credit. Department are responsible of any charges which may be levied by the vendor as a result of the return.

“Request for Returns” should be made electronically through Materials Management’s intranet site.

**PROCEDURE**

1. Copy of all confirmed packing slips for shipments received should be fax to Materials Management @ 757-622-2109 on the day of actual receipts.

2. Be sure to place a "check" next to the quantity received and any discrepancies should be clearly noted indicating the referenced item in the shipment.

3. Materials Management will receive confirmed quantities on the department's behalf in OneSource.

4. Any discrepancies noted on the packing slips will then be followed-up by a buyer with a call to the department and the vendor.

5. Notify Materials Management immediately regarding any non-conforming, broken or damaged materials.
POLICY

The Medical School has an established contract with a main vending supplier for automated food services, which covers the entire school. Thus, individual departments contracting or purchasing their own vending machines or allowing employees to make arrangements to sell merchandise which may compete with such already established vending services, are not permitted. This does not include any Medical School sponsored fundraisers, picnics, socials or any other activities that may require outside catering services.

In addition, the placement and coordination of these machines are done centrally rather than on an individual basis. However, departments may suggest or request the types of vending machines (i.e. snacks, sodas, hot beverages, cold & frozen foods, etc.) they require for their area and the selection of those menus. Materials Management with input from users have placed machines in selected locations where it can be most accessible to multiple departments or offices in a particular building or area provided that there are sufficient volume and space.

Actual placement of vending machines are also dependent on various additional factors such as electrical and fire/safety code requirements.
POLICY

As the fiscal year ends, special procedures and requisitioning cut-off dates are effected to assure an orderly cut-off and closing of the fiscal year’s financial records. Any requisitions received after published cut-off dates will be worked on a “best effort basis” by Materials Management; however, depending on the products and/or services required and the providing vendor there is not assurance the request can be awarded, delivered, and paid for by the fiscal year end. Any orders not paid for by establish year-end will be charged to the next fiscal year’s budget. Requisitions submitted during the last 90 days of the FY are at risk of not being delivered and paid for that fiscal year.