

# COLORADO STATE UNIVERSITY

## PURCHASING MANUAL

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### LIVESTOCK FEED/BEDDING PURCHASING PROCEDURE

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#### I. GENERAL

Purchase of livestock feed and bedding in the form of roughage feeds (hay, ensilage, etc.) and grain feeds requires special treatment since purchase negotiation, establishment of quality, method of payment, storage and delivery are often dissimilar to normal purchases covered elsewhere in this manual. These special requirements and related problems require special procedures outlined in this Section.

#### II. POLICY

The Director of Procurement and Contracting Services hereby delegates authority to the College of Agricultural Sciences, the College of Veterinary Medicine and Biomedical Sciences, and Agricultural Experiment Station to make purchases by use of special procedures outlined in this Section for the procurement of livestock roughage, grain feeds and bedding.

#### III. PROCEDURES

##### A. Department Requirements

The department requiring livestock feed/bedding should:

1. Anticipate needs as far in advance as possible.
2. Supply all necessary information in writing to the designated feed buyer. Information should include:
  - a. Commodity needed.
  - b. Quantity desired.
  - c. Specifications and quality in detail (i.e., first cutting alfalfa, extra choice third cutting alfalfa, grass hay, wire tied, twine tied, etc.).
  - d. Delivery location.
  - e. Dates for beginning and completing delivery.
  - f. Desired source (vendors) if any.
  - g. Other information pertinent to the order, if any.
3. In addition, if required, the ordering department may:

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- a. Perform actual field inspection prior to purchase.
- b. Take samples and have laboratory tests made when certain qualities are in doubt (i.e., moisture, nitrate level, T.D.M.s, etc.). Cost to be borne by ordering department.

### B. Designated Buyers

1. All departments in the College of Agricultural Sciences will provide requirements to and secure vendors and prices for all livestock feed/bedding from a designated feed buyer within their College.
2. Departments in the College of Veterinary Medicine and Biomedical Sciences will provide requirements to and secure vendors and prices for all livestock feed/bedding from a designated feed buyer within their College.
3. Departments of the University on or near the main campus that do not fall within the College of Agricultural Sciences or the College of Veterinary Medicine and Biomedical Sciences will use the services of the College of Agricultural Science's designated feed buyers for the procurement of their livestock feed/bedding needs.

The same procedures for the ordering and receiving functions will apply to these departments as outlined in these instructions.

4. Agricultural Experiment Station may designate a feed buyer to make livestock feed/bedding purchases from local vendors due to distance from the main campus and special sources of supply available to the local center feed/bedding procurement requirements.

### C. Buyer Procedures

Designated buyers should proceed as follows:

1. Secure bids. Upon receipt of a request from the ordering department, the applicable designated feed buyer should initiate the Purchase of Feed/Bedding form and contact potential vendors, generally by telephone, to secure bids. A minimum of three bids should be secured and recorded in the "Bid Summary" section of the form. Indicate the vendor to be used on the basis of price, quality of product, availability, reliability of vendor, department specific directives (if any), and past performance of the vendor. Report any unusual condition or extra cost (if any) for hauling, stacking, etc., to the ordering department or experiment station at this point.

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2. Keep department informed. Designated feed buyers should keep ordering departments informed of current price and availability of feed/bedding commodities. Inform departments of future anticipated changes in price and availability which might occur suddenly due to weather, economic conditions, change in Federal government policies, transportation, strikes and other unforeseen circumstances.
3. Coordinate with other buyers. Coordination and cooperation must be maintained between the designated feed buyers of the University, not only to protect the University but to guarantee that designated feed buyers are not bidding against each other for a particular order of feed. This also assures that the University is not paying a premium price unless the quality of the commodity being purchased justifies a higher price.
4. Combine orders. If it is possible to combine orders to secure a better price, designated feed buyers should cooperate, investigate and follow up accordingly.

### D. Purchase Documents

Upon return of the Purchase of Feed/Bedding form from the designated feed buyer, the ordering department or experiment station should promptly initiate one of the following type purchase documents as appropriate:

1. Internal Order (IO). Use an IO if the purchase is made from another University department.
2. Automatic Purchase Order (\$5,000 and less). Authority for purchase and acknowledged receipt of feed/bedding should be documented on the APO. Instructions for use of the APO are outlined in Section PM-3 of the University Purchasing Manual. A copy of the approved Purchase of Feed/Bedding form, referencing the appropriate APO number, and invoice must be forwarded to Accounts Payable.
3. Requisition (greater than \$5,000). Upon receipt of a requisition and approved Purchase of Feed/Bedding form, Procurement and Contracting Services will issue a purchase order. Please note: An approved University purchase order must be issued prior to requesting delivery of feed/bedding.

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E. Receipt of Commodity

1. Receipt of Materials. The ordering department or experiment station will accept full responsibility for receiving the order. Each will establish procedures within their own operation to fulfill receiving requirements. These should include:
  - a. Inspection of the commodity upon delivery and noting any discrepancies in the quality or quantity. Upon coordination with the appropriate designated feed buyer, the ordering department or experiment station may refuse delivery of inferior commodities.
  - b. Making arrangements for storing commodities after delivery for protection against weather damage, theft, fire, etc.
  - c. Checking weight tickets with vendors at time of delivery and making certain that purchase order numbers appear on the respective tickets.
2. Secure invoice. Secure an invoice from the vendor. Weight ticket information should be listed on the applicable invoice. Be sure the appropriate purchase order number appears on the invoice.
3. Document disposition. The original invoice, approved by the appropriate designated feed buyer, should be forward promptly to Accounts Payable. Be sure the purchase order number appears on the invoice. The ordering department or experiment station should retain a copy of the invoice and Purchase of Feed/Bedding for in their files.

F. Payment Procedures

Accounts Payable will mail a check directly to the vendor **or perform a wire transfer to vendor's bank** upon receipt of the proper documentation as noted above.