

PURCHASING POLICY FOR GRAND COMPUTERS

Approved by Grand Computers Board of Directors May 28, 2009

DEFINITIONS:

Grand Computer Club, a charter club of Sun City Grand, Surprise, Arizona shall henceforth be referred to as the club. The bylaws of the club, in effect and approved by the Sun City Grand Community Association shall henceforth be referred to as the bylaws. The Executive Board of the club shall henceforth be referred to as the board.

Purchasing Agent. The board may at its discretion, appoint an individual to act as Purchasing Agent for the club. When the club has a Purchasing Agent, he is the preferred conduit for club purchases of supplies for the open use room and classroom, such as ink, toner, paper, and blank CDs. This shall not, however, prevent Directors from making purchases directly.

Cost. Because the club frequently makes purchases involving multiple pieces of the same hardware or multiple copies of the same software program and because the bylaws dictate differing methods of approval based on cost, it is necessary to define cost.

- **Cost of a Hardware Purchase.** The cost of a piece of hardware, for the purposes of this policy shall be the total cost of one piece of the hardware and necessary associated hardware including taxes, shipping and handling. Examples:
 - The club is considering the purchase of 4 computers. Each computer costs \$400 plus \$25 tax with no shipping or handling charges. The cost of one of these computers for the purposes of this policy would be \$425. If the computer is purchased without monitor, keyboard, etc., the cost of a monitor, keyboard, mouse, cables, etc. would not for the purposes of this policy be included in the price because the club frequently reconfigures and reuses its equipment. If however, the computer is purchased with a monitor, keyboard, etc. then the package price including the monitor and keyboard is cost of the computer.
- **Cost of a Software Program.** The cost of a software program, for the purposes of this policy shall be the total cost of one copy of the software and associated hardware including taxes, shipping and handling. Examples:
 - A program whose license allows it to be installed on 3 computers sells for \$100 plus \$8.25 tax with no shipping and handling charges. The cost of that program for the purposes of this policy would be \$108.25 (not \$108.25 divided by 3 equals \$36.08).
 - A single copy of a software program is purchased with a site license for 7 computers for \$693 including tax, shipping and handling. (A site license is usually sold to a volume customer by a software publisher with a single copy of the media and license to install on a number of machines at a price that represents a discount from purchasing that many individual copies of the software.) In the case of a site license, for the purposes of this policy, each license shall count as one program. In this example, the cost of each program is $\$693/7=\99 . For this policy, site licenses are considered to be individual programs while an individual program licensed for 2 or 3 computers is considered one program
 - A model aircraft simulator program sells for \$100 plus \$8.25 tax with no shipping and handling charges. To be used, the program requires flight controller hardware

which also sells for \$100 plus \$8.25 tax with no shipping and handling charges. The cost of this program for the purposes of this policy is \$216.50 since the program without the controller (hardware) is not useable. Note that while a computer is necessary for the program to run on, the cost of the computer is considered to be a separate cost. Only hardware specifically associated with a software program is added to the program cost of that software.

PHILOSOPHY:

The club supports intellectual property rights as embodied in the nation's copyright laws and will not participate in software piracy.

Nothing in this philosophy shall be used to prevent the club from obtaining the best price it can get on a legal copy of a software program nor to prevent the club from installing legally purchased software on as many computers as that software program's license allows, nor from purchasing upgrade editions rather than full editions of software if the club qualifies for such upgrade.

When there is a choice and time pressures allow, the club has a preference for software delivered on media (such as a CD or DVD) as opposed to downloaded software. If software is downloaded, the download should be burned to media for its preservation and future use.

REQUESTS FOR PURCHASE:

A request to purchase hardware or software can be generated by any member of the club by completing the top part of the Purchase Requisition form and submitting it to the board.

The board will act on requests and provide feedback on the decision made to the individual who initiated the request. The board will act on its own or after presenting the matter to the general membership based on the cost guidelines set forth in bylaws. If approved, the board will authorize someone, usually the technical director, to purchase the item. The person completing the purchase is responsible for submitting a properly completed Purchase Requisition form to the Treasurer for purposes of accounting and reimbursement. That person is also responsible for insuring that the items purchased are delivered to the appropriate club member, usually the Technical Director.

The Technical Director shall have authority to make purchases of supplies, hardware and software up to cost of \$500 on his own authority for the purposes of improving the efficiency of the club's equipment or replacing poorly functioning or non-functioning equipment or for the effective function of his department.. After the purchase, the Technical Director shall submit to the Treasurer an appropriately filled out Purchase Requisition form with receipts for purposes of accounting and reimbursement.

Members of the club's Board of Directors shall have authority to make purchases of supplies, hardware and software up to cost of \$100 on their own authority for items that they deem necessary to effectively run their department. After the purchase, the Director shall submit to the Treasurer an appropriately filled out Purchase Requisition form with receipts for purposes of accounting and reimbursement.

Special Interest Group (SIG) Facilitators shall have authority to make purchases of supplies, hardware and software such that the total cost of all such purchases for a given SIG in a calendar year shall not exceed the amount in the approved budget for that SIG. After each

purchase, the Facilitator shall submit to the Treasurer an appropriately filled out Purchase Requisition form with receipts for purposes of accounting and reimbursement.

PURCHASES:

The individual purchasing the items, usually the purchasing agent or the technical director, shall at their discretion either purchase the items and seek reimbursement from the treasurer or get a payment from the treasurer to cover the purchase. In either case, an appropriately completed Purchase Requisition form needs to be submitted to the treasurer.

All software purchased shall be given to the technical director for installation.

RECORD KEEPING:

The record keeping required by this section shall begin with the adoption of this policy and shall not be retroactive.

Hardware Records. Records are not required for operating supplies. For equipment, the Technical Director shall keep a central record (spreadsheet or database) adding the equipment when it is purchased and a notation about its disposition added when it is disposed of. Minor pieces of equipment and expendables such as most cables need not be entered in the central record.

For software purchases, the technical director shall make a record of where the software was installed. The record can be a spreadsheet or such other electronic record as is chosen by the technical director. The record shall at a minimum include the software name, the copy number, the serial number, the number of machines that the software is licensed to be installed on, the date, and the machine name on which it is installed. In the case of software licensed to be installed on more than one machine, the record should have a separate line for each license. If one or more licenses are not used, that line should have a notation such as NOT INSTALLED, AVAILABLE in the machine name portion of the location. Example: Five copies of a program, each of which is licensed for use on two computers, are purchased for upgrading the capabilities of the club classroom. The copies would be arbitrarily numbered copy 1 through copy 5. Each copy would have two lines in the record, one for license 1 of 2 and one for license 2 of 2. Each of the ten total lines would indicate the computer name on which it is installed.

As a measure for backing up the record, a copy should be provided to the president and to the treasurer about once a month.

A copy of the records should be used during the annual inventory required by the bylaws and any discrepancies should be dealt with at the time of the inventory.

END OF POLICY.