

**SUNY DOWNSTATE MEDICAL CENTER**  
**FINANCE DIVISION: POLICIES AND PROCEDURES**

**Department:** Office of IFR Management and Budget  
Administration, Contracts and Procurement  
Management

**No:** BUD-2

**Subject:** COPS Financing, Equipment  
Procurement and Vendor Payment

**Page 1 of 3**

**Prepared by:** Robert Caputo

**Implementation Date:** 12/1/05

**Reviewed by:** Martin J. Deane and Daniel Cutler

**Approved by:** Frederick J. Hammond, Jr.

**Distribution:**  Administrative Manual  
 Department Manual  
 Patient Care Manual  
 AOD Manual

**I. Purpose:**

To explain procedures that the campus must follow when participating in the State supported bond financing (Certificates of Participation or COPS) of personal equipment and real property acquisitions. The Office of General Services acts as the Service Agent in an agreement with the Empire State Development Corporation, the issuer of the State-supported bonds, and the Trustee.

**II. Responsibilities/Procedures/Guidelines:**

A. The Office of IFR Management and Budget Administration is responsible for:

1. The campus request for COPS financing which takes place each year.
2. The coordination of the authorization to use COPS funding for the purchase of equipment and/or real property.
3. Preparation and submission of the Memorandum of Understanding (MOU) to OGS before the proceeds can be used.

B. The Campus department which will use the COPS funding will go through the purchasing process in relation to the purchase of equipment and/or real property, as follows:

1. Prepare the required requisition(s).
2. Enter the account number on the COPS requisition, which will be account # 860720-11, and the appropriate object code.
3. On the bottom of the requisition, enter the following:
  - a. "This requisition is funded from COPS funding for FY xx/xx (insert current fiscal year)"
  - b. The COPS' project name.
4. Attach appropriate backup (i.e. quotations, justification letter, etc.)
5. Forward all documentation to the Office of IFR Management and Budget Administration for review and approval.

C. The Office of IFR Management and Budget Administration will:

1. Review all documentation for fiscal appropriateness.
2. Approve the requisition and assign a req number if the documentation is complete and is fiscally appropriate. (If the documentation is incomplete in any way, it will be returned to the requisitioning department.)
3. Return the approved package to the originating department for processing.

D. The originating department will forward the approved package to the Office of Contracts and Procurement Management for processing.

E. The Office of Contracts and Procurement Management will:

1. Process the requisition(s) in compliance with appropriate State Procurement Guidelines. (When the items of equipment to be purchased change or the cost of the equipment to be purchased exceed the amount originally shown on the H-101 form, the Office of IFR Management and Budget Administration must be notified so that revised H-101 forms can be submitted to DOB.)
2. Enter the purchase order or contract into the SUNY system and transmit it to the vendor. A comment will appear on the procurement document that the “source of funding will be COPS financing for FY xx/xx (insert current fiscal year).”
3. Disencumber the purchase order or contract to \$1 so that it will be able to be tracked in the SURS system upon delivery and Property Control will be notified. (Refer to page 6 of the Manual of Procedures for COPS financing, paragraph 7.)
4. Forward a copy of the purchase order or contract to Property Control to initiate the asset tagging process.
5. Forward a copy of the purchase order or contract to the Office of IFR Management and Budget Administration for final budget reconciliation.

F. When COPS equipment is delivered, noted by a purchase order number(s) ending with “C”, the Department of Central Receiving will process it through the SURS system in the same manner as all other State funded shipments.

G. If the department accepts the equipment:

1. Accounts Payable will complete and forward the appropriate documentation to OGS for vendor payment through COPS. (Refer to page 6, paragraph 12 and 13 and Section E, page 7 of the Manual of Procedures relating to COPS financing.)
2. Property Control will tag the equipment and enter details on the Property Control Database.

**NOTES:** The campus must keep OGS Financial Administration and DOB State-supported bond staff informed of any changes in the items of equipment on the purchase order or under contract. Increases in the dollar amount of a purchase order or under contract must also be reported. If the dollar amount increases or the items of equipment change, the campus must request DOB’s approval on a revised H-101 form, which will be performed by the Office of IFR Management and Budget Administration.

Campuses have three (3) years to spend the State-supported bond proceeds. Unspent proceeds, if not spent during the three year period, can be allocated to other projects as follows:

- 1) Unspent proceeds of \$250,000 or more may be allocated to another approved H-101 project or a new project.
- 2) Unspent proceeds which are less than \$250,000 may only be allocated to another approved H-101 project(s).

Unspent proceeds that are not reallocated to another project after the term of the bonds has expired will be reallocated to reduce debt service or other costs associated with the State-supported bonds to finance equipment to the campus. Agencies may release their unspent proceeds prior to the end of the three-year period, provided that these funds can be allocated to another agency with an approved H-101 project. Campus debt service payments will be reduced accordingly.

Refer to the MANUAL OF PROCEDURES FOR USE OF STATE-SUPPORTED BONDS TO FINANCE EQUIPMENT for additional details relating to COPS financing.