

ASSOCIATED STUDENTS
PROCUREMENT, PURCHASING AND ACCOUNTS PAYABLE POLICY

I. NAME

This document shall be called the Associated Students Procurement, Purchasing and Accounts Payable Policy.

II. PURPOSE

This policy is, and will be in effect in order to set guidelines for the procurement, purchase and payment of accounts payable transactions related to equipment, materials, supplies and services.

III. DATE OF EFFECTIVENESS

This policy shall be effective upon approval of the Associated Students Board of Directors (AS BOD).

IV. AMENDMENTS

This policy may be amended by a 2/3 majority vote of the AS BOD.

VI. GUIDELINES

A. DEFINITIONS

1. Formal price quotations

These should include applicable specifications, vendor name, address, telephone number, and total dollar amount.

2. Formal bid process

These often take the form of request for proposals (RFP) or invitation for bid (IFB). The goals of these processes are to be fair and open and allow the AS to select the most cost-effective provider based on an evaluation of relevant factors.

B. CAPITAL EXPENDITURES

When purchasing a fixed asset with a value of \$5,000 or more, and a useful life of greater than one year, the Capital Expenditure Purchases and Fixed Asset Policy should be followed.

C. PROCUREMENT PROCESS FOR NON-CAPITAL EXPENDITURES

1. If needed, complete IT Procurement Review

Any electronics or information technology related purchase, regardless of amount, shall be reviewed by the AS Information Technology department prior to purchase to ensure it conforms with applicable accessibility, security, and compatibility policies.

2. If needed, complete Risk Management Review

When contracting with an outside entity to provide a service for the AS, regardless of amount, the AS Risk Manager should review the request prior to approval to ensure that the AS is adequately protected and compliant with applicable policy and law.

3. Use of Cost-Saving Mechanisms

Purchasers should take advantage of mechanisms such as group buying or contract pricing to reduce the purchase cost whenever possible.

4. Purchases up to \$25,000

Individual items, a combination of like items, or service which costs \$25,000 or less are not required to submit multiple price quotations. It is the responsibility of each unit's director to ensure that operating expenses are maintained within the unit's budget. As part of that responsibility, it is assumed that the unit director will seek and obtain the highest quality goods and/or services at the most reasonable price.

5. Purchases between \$25,000 and \$100,000

Individual items, a combination of like items, or service which cost between \$25,000 and up to \$100,000 are required to submit a minimum of three formal price quotations from vendors. The purchaser and unit director will select the vendor which can provide the highest quality goods and/or services at the most reasonable price. If formal price quotations are not obtained, a sole source justification statement must be provided as part of that approval/reporting process. Formal price quotations are not required for purchases under university contract, as it is assumed that the best price is available due to the educational discounts provided.

6. Purchases above \$100,000

Individual items, a combination of like items, or service which costs more than \$100,000 are required to utilize a formal bid process. The employee requesting to purchase shall consult with the unit director and Executive Director to determine the appropriate formal bid process for their requested purchase. If the formal bid process is not utilized, a sole source justification statement must be provided as part of that approval/reporting process. The formal bid process is not required for purchases under university contract, as it is assumed that the best price is available due to the educational discounts provided.

D. PURCHASING – USE OF PURCHASE ORDERS

1. Purchase orders will be prepared when required by the vendor providing the goods and/or services.
2. Purchase orders will be prepared for purchases of goods and/or services if required by an area's outside funding agent.
3. The Purchase Order Request form must be approved as required by the AS Signature Policy.

E. ACCOUNTS PAYABLE – PAYMENT REQUESTS

1. Payment requests are used for most purchases, except where a purchase order is used, for a variety of expenses and payments to vendors.
2. Payment requests must be accompanied by appropriate documentation such as itemized original receipts or invoices, travel claims or requests, consultant invoices, or other documentation as required by the AS Financial Services Office to support and justify the expense. Signature authority on payment requests is established in accordance with the AS Signature Policy.

F. ACCOUNTS PAYABLE – USE OF PETTY CASH FORMS

1. Petty cash forms are used to secure petty cash funds for in office use, cash advances to purchase goods and supplies and for reimbursement of out-of-pocket expenses.
2. Petty cash requests must be accompanied by appropriate documentation such as itemized original receipts or invoices or other documentation as required by the AS Financial Services Office to support and justify the expense.
3. Petty cash request limits and signature authority is established in accordance with the AS Signature Policy.

G. CONFLICT OF INTEREST

1. No AS Board member or employee, by virtue of their position, will personally derive any benefit, gain or receive preferential treatment from the use of facilities or procedures available to the AS for the purchase of equipment, supplies or services.
2. Any AS Board member or employee failing to follow the above policy may be assuming a personal liability for payment to the vendor and may be subject to appropriate disciplinary action.