Purchasing Policies & Procedures

The term "purchase" includes the contracting for the acquisition of all goods/services, whether by outright purchase, rental agreements, or lease, for the University of San Francisco. Exceptions to this definition are Services of Independent Contractors, and book acquisitions by Libraries. In addition, other contracts as specified by the Vice President of Business and Finance will be excluded.

University Purchase
The University does not have financial responsibility for the purchase of goods or services made without an official University Purchase Order (P.O.). Such purchases are deemed the sole and personal financial responsibility of the individual making such unauthorized purchases. Verbal orders will not be honored by the University.

Vendor Relations
The relationship between the vendor and the University is very important. Below are the dynamics of this relationship. For a short list of Approved University Vendors and Suppliers, please visit our website at www.usfca.edu/purchasing

1. Interviewing Sales Representatives: University personnel wishing to contact sales representatives may ask Purchasing Services for assistance. Unsolicited contacts from sales representatives should be referred to the Purchasing Services office.

2. Supply Sources: Purchasing Services and Accounts Payable maintain a list of all vendors that do business with the University. Requisitioning departments are encouraged to suggest vendors for special orders or unusual items. Purchasing Services has the final authority to select a particular vendor, but will consider department's suggestions.

3. Vendor Selection: Vendors are selected for their ability to serve the needs of the University by providing quality products in the most economical and efficient manner possible. Past performance is an important factor. Vendors that are selected must agree with the terms and conditions of the University as set forth in a P.O.

4. Vendor Qualification: Vendors doing business with the University are carefully evaluated. Before USF enters into a purchasing commitment, a vendor must submit a copy of their W-9 and completed a Vendor Registration Form. Approved vendors are continuously evaluated by the Purchasing Services Office to ensure that they meet USF's standards and expectations.

5. Vendor Credit Applications: Some vendors require that USF complete and submit a credit application before they begin accepting USF Purchase Orders. Such credit applications should be submitted to the Purchasing Services Office for completion.

Conflict of Interest
The University does not generally enter into a purchasing commitment with students, faculty, staff or members of their immediate families. Procuring from a business in which an employee has an interest is prohibited unless accompanied by a written full disclosure statement and approval from Vice President of Business and Finance.

Sole Source
A sole source purchase occurs when an item needed can only be purchased from a single source. Due to the fact that the product and/or service is specialized, competitive bids cannot be attained.

When a sole source specification is submitted, please submit supporting documentation as to why it is essential to purchase the requested item(s) by this sole source/provider in preference to another source/provider.
Requested for Information/Proposals or Quotations

Competitive quotations/bid proposals are solicited by the Purchasing Services office in accordance with the guidelines listed below. If the requisitioning department has obtained quotations, this information should accompany the requisition. Purchasing Services will evaluate the quotation and determine the purchasing action.

Competitive quotations will be secured in accordance with the following guidelines:

- **$1.00 - $500.00**: Quotations may or may not be solicited.
- **$501.00 - $5,000.00**: Purchasing Services will attempt to obtain at least three quotations, either in writing or by telephone, depending on the competitive nature of the items requested. The lead time necessary for Purchasing Services to obtain quotes (verbal and/or written) is approximately 1-2 weeks.
- **$5,001.00 & up**: Purchasing Services will attempt to solicit at least three competitive written quotations. The lead time necessary for Purchasing Services to obtain written quotes depends upon the items to be purchased. Please notify us as soon as possible, and then we can determine how much lead time will be necessary to obtain quotations.

The requisitioning department may not use multiple requisitions to circumvent the bidding process.

Sales Tax

The University is not exempt from sales use taxes. When items are purchased for resale, sales tax is collected upon sale. For purchases made out-of-state, the State of California will assess a use tax.

Small Orders

There is a fixed cost associated with processing a purchase requisition, issuing a P.O. and processing the invoice. Therefore, the Purchasing Services office encourages departments, whenever possible, to group like items of small orders together. This will help reduce the costs of negotiating and placing orders, and the associated overhead cost.

Expenditure of Funds

- **Funds Sources**
  - Departments are allocated funds in their budgets for a given period (i.e. fiscal year). This allocation is only an authority to requisition, not to purchase.
- **Cost Centers**
  - Each department is assigned a FOAPAL by the Controller’s Office. All requisitions require the complete FOAPAL(s) to be charged.

  **Requisition to Purchase**

- Only individuals officially designated as "Budget Manager" on the University’s Chart of Accounts, as established by the Controller's Office, are authorized to approve requisitions for submission to Purchasing Services.
  - The Budget Manager may delegate this authority, for specific FOAPAL's, account numbers and dollar amounts, by submitting a Signature Authority Memo to Purchasing Services. This memo, as with all requisitions, must be signed and dated by the "Responsible Person" (no stamped signatures), signed by the designee, and must indicate the duration of authority.
• It is recommended that the requisitioning function (including issuing requisitions and approving invoices) reside with one person within a department. Alternates should be assigned to expedite processing when the primary person is unavailable.

• All outside requests for purchases are processed through Purchasing Services on a paper requisition or e-REQ. Regardless of type, each requisition is pre-numbered to eliminate duplication.

Requisition Information
A requisition should include the following information:

• Each paper requisition should be prepared in duplicate. The original/white copy is to be forward to Purchasing Services, after all necessary approval have been given. The duplicate/pink copy should be retained for departmental records.
• With each e-REQ, the end user should print a copy of the e-REQ for departmental records.
• When possible, the department should provide suggested sources of supply by giving the complete vendor name and address.
• A complete description of the material or services desired, including catalog numbers, samples and attachments, are to sent with the P.O. to Purchasing Services for processing.

Note: Please be sure to retain a copy of the requisition for your files. Each requisition should list items that can be furnished by one supplier (e.g. do not request stationery and furniture on the same requisition).

Requisition Approval
Each college/department had been assigned capital limitations by their divisional Vice President/Provost. Please check with your Dean/Director or find out your limitations. For grant accounts, the USF Grant Administrator's approval is required.

Invoice Approval
Should you receive an invoice for items received and/or services rendered, please approve payment by signing, dating and indicating the P.O. number on the invoice and promptly send to the Accounts Payable office in LMN 3rd Floor. Failure to submit invoices to Accounts Payable for payment(s) in a timely manner can result in payment delays. This may prevent USF from meeting its "net 30 day" payment practice and may jeopardize vendor relations.

If a department wishes to withhold payment to a vendor, please inform Purchasing Services via email at purchasing@usfca.edu or by hard copy with the following information:

• P.O. Number
• Payment Instructions (i.e. do not pay on line #2)
• Provide Reason(s)