The purpose of this document is to provide University management, faculty and staff with policy and regulations governing University procurement and purchases, to outline responsibilities and procedures for the solicitation of bids and proposals, and to establish guidelines regarding conflicts of interest.

The University is committed to open and free competition, to the maximum extent practical and prudent in the purchase of equipment, materials, supplies and services necessary for the day-to-day operation of the University in a manner consistent with Federal and State laws and regulations.

**Procurement & Purchasing Authority**

The University of La Verne Purchasing Department is a division of the Department of Treasury, Management and Budget (DTMB). The President of the University has delegated procurement negotiations to the Director of Purchasing and Procurement. University personnel, if authorized, may also procure goods and services within the guidelines of the policies and procedures set forth here.

**Contract Authority**

In this document, a Contract is defined as a legally binding document signed by both the supplier and an authorized representative of the University of La Verne. See page 6 of this document for definition of Purchase Requisitions/Purchase Orders.

In accordance with the authority delegated by the Board of Trustees of the University no person is authorized to contractually obligate the University to the purchase of equipment, material, supplies, goods and services except those who are officially authorized by the Board of Trustees of the University of La Verne (“Board of Trustees”) through a Board resolution. Those authorized are:

President, Provost, Chief Financial Officer, Vice President of Strategic Enrollment Management and Communications, Vice President University Advancement, Associate Vice President Finance, Chief Human Resources Officer, and Associate Vice President of Facility & Technology Services.

The Board of Trustees, through the President of the University has assigned the Director of Purchasing and Procurement the authority to execute all Purchase Orders.

All contracts and agreements exceeding one million dollars ($1,000,000) obligating the University of La Verne for the payment of goods and services must be approved or ratified by the Board of Trustees and signed by an authorized signatory approved by the Board of Trustees.

All contracts and agreements of goods and services that reflect an invoiced amount between $5001-$999,999 must have the approval of an authorized signatory which include the President, Provost, Chief Financial Officer, Vice President of Strategic Enrollment Management and Communications, Vice President University Advancement, Associate Vice President Finance, Chief Human Resources Officer, and Vice President of Facility & Technology Services.

All Contracts exceeding $25,000, require 2 (two) signatures. In addition to the Board authorized signatures of the President, Provost, Chief Financial Officer, Vice President of Strategic Enrollment Management and Communications, Vice President University Advancement, Associate Vice President Finance, Chief Human Resources Officer, and Vice President of Facility & Technology Services.
Finance, Chief Human Resources Officer, and Vice President of Facility & Technology Services, will also require a second signature of one of the following positions:

- Chief Financial Officer
- Associate Vice President of Finance
- Assistant Vice President of Treasury and Budget

Contracts or agreements totaling $5,000 or less obligating the University for no more than one year may be signed by a member of the University Management Council. A listing of the members of the University Management Council can be located at:

http://laverne.edu/about/administration/senior-management-council

All contracts and agreements obligating the University to engage individual or corporate services must be approved by the Risk Management Office of the University of La Verne.

Individual and group entertainment agreements must be written on an approved University of La Verne contract form located in the forms section of the Risk Management website (link below). The use of multiple contract forms is permissible if approved by the Risk Management Office.

http://www.laverne.edu/resources-services/treasurer/risk-management/

Violation of this policy is subject to disciplinary action.

**Responsibility and Objectives**

Our basic policy is to obtain all goods and services at the most competitive and lowest price possible to the University consistent with quantity, quality and availability of the items at the time of purchase. In conforming to this policy, the cost of the purchase and the delivery time required by the user department will be considered. Competitive bids will be solicited when applicable.

The function of the Purchasing Department is the organization and administration of centralized purchasing services for all departments of the University. In providing these services, in accordance with sound business practices, the Purchasing Department seeks to realize for the University the maximum value for every dollar expended.

To achieve this goal, the Purchasing Department has been charged by the President of the University and the Board of Trustees with the responsibility for the following:

1. Secure competitive bids when possible to obtain maximum value from the expenditures of University funds.
2. Maintain liaison with the vendors that service the University.
3. Coordinate the procurement of goods and services for the University.
4. Develop sources of supply to assure that the University departments have an adequate number of vendors from which to obtain supplies, equipment and services.
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5. Ensure that all University Departments adhere to all lawful statues in regards to the purchasing procedures adopted by the University including the Uniform Commercial Code.

Standards of Conduct and Practice

It is the intent of the La Verne Purchasing Department to maintain the highest level of professional conduct and excellence in the conduct of its operations. To this end, it is essential that any and all purchases be conducted in an equitable and fair manner, and that purchasing practices and decisions are consistent with the best interest of the University.

Therefore, the La Verne Purchasing Department maintains membership in, and has adopted the principles advocated by, the National Association of Educational Procurement. These standards of purchasing practice are categorized into two areas--conflict of interest and professional code of conduct. The specific standards adopted by the University in each of these areas are as follows:

Employees, Officers, and Agents of the University

Conflict of Interest

The University of La Verne's Conflict of Interest Policy is located on the link below:


Gifts and Gratuities

Employees, officers, or agents of the University shall neither solicit nor accept cash, gratuities, favors or anything else of monetary value from vendors or potential vendors. Ordinary business courtesies, such as payment for a modest lunch are acceptable. Gifts, such as promotional items with little significant value of less than $25.00 per item and/or $50.00 per year, and which are distributed routinely by the vendor to clients (calendars, pens, etc.), are also acceptable. Gratuities or gifts of money (including gift cards) to an employee cannot be accepted at any time.

Employees, officers, or agents must report any conflict of interest or any apparent conflict of interest to their immediate supervisor and to the Office of the Associate Vice President Finance, immediately upon discovery of the conflict.

Any employee, officer or agent that violates this Policy shall be subject to discipline.

Philosophy of the Purchasing Department

The guiding philosophy of the Purchasing Department is that of rendering service to the University. With a view of this philosophy, the following basic functions must be fulfilled:

1. Purchase the correct product for the purpose required.

2. Insure the product’s availability when needed.
3. Purchase the product(s) specified or an equivalent alternate.

4. Purchase the product(s) at the best value.
   a. Value is determined by overall cost, delivery, quality, availability, and reliable performance.

All purchasing functions shall be centralized in the Purchasing Department. Accordingly, the University shall not be committed to any purchase of goods or services by University Personnel that fail to adhere to the policies of the Purchasing Department. Purchases made in the name of the University without an authorized purchase order, or without the signatory approvals as noted, or without an authorized invoice or contract shall be considered an obligation of the person making the purchase and not an obligation of the University of La Verne.

The Purchasing Department will have the authority and responsibility for reviewing the selections and specifications of materials being requested by departments. The Purchasing Department will make any appropriate recommendations relative to safety, health, quality, price, and legal requirements; as well as provide information on available substitute materials. In turn the various departments of the University shall assist the Purchasing Department in being aware of new products and services, and the Purchasing Department shall also keep departments appropriately informed by serving as a clearinghouse of information.

The Purchasing Department will process emergency or rush orders expeditiously, although advance planning would serve to minimize such a request.

**Vendor Relationships**

The Purchasing Department will give vendor representatives courteous treatment, remembering that such personnel are important sources of information and assistance in the purchasing program.

All correspondence and other types of communication will be acknowledged in a timely manner.

**Bids and Quotes**

Goods and services will be purchased by competitive bidding (e.g. formal bids, written quotes and oral price quotations) whenever possible.

It is the University of La Verne's policy to procure all goods and services when feasible, through competitive solicitation. Three methods of solicitation shall be used:

1. Telephone Quotation - Telephone quotations may be solicited from vendors when University personnel are seeking to purchase goods and services valued at less than $25,000. Said telephone quotes may be obtained, depending on the amount to be procured, as follows:

   For procurement of goods or services totaling $0 to $9,999 a verifiable catalog resource, or internet quotes will be utilized. While a minimum of one quote is authorized, it shall be the burden of
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University personnel to demonstrate that the price to be paid for such goods or services is fair and competitive to the University.

For procurement of goods or services totaling $10,000 to $24,999, two or more competitive bids via a verifiable catalog resource, and/or internet quotation must be secured, unless the goods or services are established to come from a sole source vendor. A sole source justification form must accompany applicable orders meet acceptable sole source criteria.

2. Informal Solicitation - Two or more informal competitive bids must be used to procure goods and services whose value is estimated at more than $25,000, but less than $100,000. Vendors shall be required to submit written bids/proposals.

3. Formal Solicitation or Request for Proposal (RFP) – Whenever possible, formal bids or Request for Proposals are used to procure services and commodities valued at $100,000 or more. Vendors are required to submit bids in writing on or before the designated bid end date. Proprietary information is held in confidence if requested by the bidder. University policies for the solicitation and submission of bids are set forth in the following section. Vendors are encouraged to review all written instructions carefully prior to the submission of any bid quotes or Request for Proposals.

It is acceptable to utilize competitively bid contracts through the University’s affiliation with cooperative Group Purchasing Organizations (GPO’s) in lieu of a formal solicitation (i.e. E&I, U.S. Communities, National IPA, etc.).

Preparation and Procedures

Refer to the Purchasing Department Website at www.laverne.edu/purchasing, scroll down to the Purchasing Department and follow the Request for Proposal (RFP) instructions.

Bid instructions shall be clear and complete, setting forth all pertinent conditions essential to the bid.

The Purchasing Department will obtain bids from sources that can offer the best value which includes best prices, consistent with quality, delivery, and/or services.

The final decision on all bids belongs to the University’s management.

The requisitioning department shall not split Requisitions to avoid the bidding process. Such action will result in disciplinary action.

Purchase Requisitions/Purchase Orders

Purpose

The Purchase Requisition Form shall be used to request all anticipated goods or services to be rendered.

The Purchase Requisition Form shall be used as the input document for the Purchasing Department to prepare a Purchase Order. The Purchase Order Form is the official University of La Verne authorization document to order goods and/or services.
1. Each department must complete and submit a Purchase Requisition for all materials, supplies and services the department intends to purchase. In turn, the Purchasing Department shall use the information contained in the Purchase Requisition to prepare and issue a Purchase Order that shall constitute the official authorization document to order goods or services from a vendor.

2. The Purchase Requisition Form must contain all of the information required by the Purchasing Department. Failure to provide this information shall result in the return of the Purchase Requisition to the requisitioning department without further action.

3. All Purchase Requisitions must be signed by the person with the responsibility for the department’s budget or who otherwise has authority to sign on behalf of the department.
   a. All Purchase Requisitions exceeding $500 must be sent to the Accounts Payable Department for budget check and business office approval.
   b. All Purchase Requisitions exceeding $5,000 must be approved by the department’s member of the University Management Council.
   c. Technology purchases (hardware and software) must be approved by the Office of Information Technology.

4. Quotes and/or back-up documentation must be attached to the Purchase Requisition and must include the company name, telephone number, the name of the employee that quoted the product, and the price. Requisitions that do not have this information will not be processed and will be returned to the requesting department.
   a. Exceptions
      i. Internet orders may vary from the documentation policy if the requisition includes a clear description of what the item(s) is that is ordered including part numbers and/or ISBN numbers, as well as a reference in the body of the requisition to the website that is utilized.
      ii. Orders from standard contract vendors with established pricing may vary from the documentation policy if the requisition includes a clear description of what the item(s) is that is ordered including part numbers, as well as a reference in the body of the requisition to the catalog or contract that is being used.

5. If applicable, originals and one set of copies of all contracts/agreements signed by an authorized representative of the University should be attached to the Purchase Requisition.

6. All requisitions made out to La Verne Bookstore are to be sent directly to the Accounts Payable Department. Once approved, Accounts Payable will forward them to the bookstore to fulfill the order.

Departments are not permitted to place orders using Purchase Requisition numbers or to place verbal orders with vendors. All orders must be placed per established procedures and must have a valid Purchase Order number.

**Preparation and Procedures**

Refer to the Purchasing Department Website at [www.laverne.edu/purchasing](http://www.laverne.edu/purchasing) for step-by-step instructions. Please note that it is important that each department assign a requisition number and keep a log of their submitted requisitions. This helps the Purchasing Department locate the Purchase Orders in Banner when an inquiry is made.
Purchase Order Change Form

1. Any request to cancel, increase, decrease, or otherwise change a Purchase Order must be completed by a Change Order form. The Change Order form must contain all of the information required by the Purchasing Department.

2. Change Orders over $500 must be first submitted to the Accounts Payable Department for budget check and business office approval. The Accounts Payable Department shall submit the Change Order to the Purchasing Department for processing. A copy of the amended Purchase Order shall be sent to the Department requesting the change as notice that the requested changes have been completed.

3. Change orders must include back-up documentation.
Purchase Order Change Order Threshold

The Purchasing Department and/or Accounts Payable Department does not require a change order to process changes within the change order dollar tolerance of $75 or 15% of the Purchase Order amount up to a maximum of $500.

Open Purchase Orders

Open purchase orders are to be used when multiple orders are placed with the same vendor during the fiscal year.

1. Open purchase orders shall be initiated by use of the standard purchase requisition form with vendors chosen by the requisitioner from a list of vendors provided and maintained by the Purchasing Department (i.e. those that can comply with the invoicing and other requirements of the University). Recommendations may be submitted to the Purchasing Department at any time for additions to the open purchase order vendor list. Such recommended additions will be subject to verification for purposes of meeting the invoicing requirements of the University.

2. An open purchase order functionally and legally constitutes a written agreement for a set period of time, not to exceed the current fiscal year.

3. Open purchase order documents cannot be used for items that are otherwise available through our contracted vendors.

4. The open purchase order will include a detailed description of the supplies ordered.

5. The open purchase order number shall be used in each step of the process, ordering, shipping, receiving and billing.

6. The requisitioner will be responsible for placing the order and receiving the order. The requisitioner will sign the packing slip and submit it to Accounts Payable.

   a. Exceptions: Office Max and Nestle Water- These packing lists are to be sent directly to Purchasing.

Purchase Order Follow-up Procedure

On occasion, a requisitioner will indicate the need for an item to be purchased and received or for a service to be performed by a specific date. When a “due date” is indicated on the purchase requisition, the Purchasing Department will verify with the vendor that they can meet the time frame requirement (“Due Date”). If no vendor can be found to meet the specified time requirement, the requisitioner will be notified to plan for an alternative vendor.

Once a purchase order has been placed where there is a time element involved the Purchasing Department will follow-up to insure delivery on a timely manner.
Any Purchase Order that is not received within a (60) day period from due date will be cancelled. The requisitioner will be notified promptly when a Purchase Order is cancelled to permit reordering with another vendor or source.

**On Approval Items**

1. All orders for “on approval” or “30 Day Review” will be initiated by use of the standard purchase requisition form. A purchase order will be issued and will indicate that the order is only a review and that the University has the right to return the items within the 30-day period.

2. When the original requisitioner has made a determination whether to retain or return the “on approval item”, a written memo shall be sent to the Purchasing Department with a decision. If no response is received after the 30 days, the Purchasing Department will submit the receiver to Accounts Payable for payment.

**Subsequent Action by the Purchasing Department**

When a purchase requisition is received by the Purchasing Department, vendors will be contacted to determine such procedural elements as to price, terms and delivery information. A purchase order will be prepared by the Purchasing Department. A copy of the purchase order will be sent to the originator of the purchase requisition. This copy serves as a notification that the items listed on the purchase requisition have been placed. If there are any discrepancies on the copy, contact the Purchasing Department immediately to get them resolved.

**Central Receiving**

The carrier normally delivers incoming shipments to Central Receiving. From there the shipment is delivered to the department location specified on the purchase requisition.

In the case of unusually large or heavy items and for equipment requiring installation by the vendor, the purchase order will specify that delivery be made directly to the department.

1. If an overage, shortage or damaged condition is found, do not discard any packing material and do not use any items until the Purchasing Department examines the shipment or gives instructions as to its disposition.

   If the material is to be returned, provide the Purchasing Department with a brief description of the damage or other reasons for the return (e.g. wrong material, damaged, incorrect count) the purchase order number and pertinent details in a memorandum form directed to the attention of the purchasing department. Refer to the Purchasing Department Website [www.laverne.edu/purchasing](http://www.laverne.edu/purchasing) for detailed instructions to return goods.

2. The requestor must forward packing slips to the Purchasing Department for all deliveries and/or services made directly to a location other than Central Receiving so Purchasing can forward the receiver to Accounts Payable for payment.
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3. All deliveries made to Central Receiving will be verified by Central Receiving. Packing slips, freight bills and other related details would be removed and forwarded together with the receiving copy of the purchase order, to the Accounts Payable Department for payment.

Personal packages should never be shipped to the University.

Any shipment received by the Central Receiving Department, which does not reference a purchase order number, will be set aside and reviewed at a later date.

Purchases with Federal Funds

In the case where purchases are made with Federal Funds, the Purchasing Department shall comply with the requirements of Circular OMB A-110. The Purchasing Department shall maintain a current copy of OMB Circular A-110 and make copies available to all departments wishing to make purchases with Federal Funds. The Purchasing Department shall have the obligation to monitor and update OMB Circular A-110 as it is amended and revised. In the event where there is a discrepancy between the provision of OMB Circular A-110 and the University’s purchasing policies, the provisions of OMB Circular A-110 shall take precedence.