

# **The CSU, Chico Research Foundation**

**Office of Research and Sponsored Programs**

**Foundation Administration**

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## **PURCHASING AND ACCOUNTS PAYABLE POLICY**

### **POLICY STATEMENT:**

The CSU, Chico Research Foundation is committed to open competition in the purchase of equipment, materials, supplies and services that will aid and supplement the instructionally related and auxiliary support service activities of all Foundation projects.

### **BIDDING REQUIREMENTS:**

Competitive bids are required for the purchases of goods and services which equal or exceed \$5,000 as stated in the CSU, Chico Research Foundation Procurement Policies and Guidelines.

### **SOLE SOURCE PURCHASES:**

Sole source purchases on a non-competitive basis require written justification and approval of the Foundation authorized designee. Approval requires that the justification can withstand either a legal challenge by other potential bidders or an audit by funding agency.

The written justification should include:

- Unique performance factors of the products specified
- Why these factors are required, and
- What other products have been evaluated and rejected and why.

### **MBE/WBE:**

Some funding agencies may require the use of a process that affirmatively seeks bids from women or minority-owned businesses. Affirmative steps as set forth by the funding agency and/or Federal regulations will be taken where applicable and practical.

### **CONFLICT OF INTEREST:**

No Foundation Board member, employee, or CSU employee may by virtue of their position, personally derive any benefit, gain or receive preferential treatment from the use of facilities or procedures available to the Foundation for the purchase of equipment, supplies or services.

Project Personnel and Foundation employees failing to follow the purchasing policy or procedures may be assuming a personal liability for payment to the vendor and may be subject to appropriate disciplinary action.

### **APPROVAL AUTHORITY:**

In accordance with Foundation Signature Policy, approval authority resides with Project and Foundation personnel who have been delegated such expenditure authority. Requests for reimbursement may not be approved by self or subordinates and require one up approval by a more senior manager or the Director of the Office of Research and Sponsored Programs or her designee.

#### REQUISITON FORMS/PROCESS:

The forms described below are used in the acquisition of goods and services required to meet the program needs of the Foundation projects. Foundation personnel will contact project personnel if additional information or documentation is required before processing can occur. The Foundation administration has the discretion to deny approval of an expense if it does not comply with Foundation policy, general accounting standards, or other governing regulations.

#### Check Requests:

Check requests are used for a variety of expenses, including payments to vendors (except when a purchase order is required) and must be accompanied by appropriate documentation such as original itemized receipts or invoices, travel claims or requests, consultant invoices, stipend or honoraria form, or other documentation as required by the Foundation to support and justify the expense for audit purposes.

The Check request form must be completed, appropriate project approval obtained and appropriate back-up documentation attached before processing by the Foundation can occur.

#### Purchase Orders:

Purchase orders are used to purchase supplies and equipment. A purchase order is required to buy equipment, tangible properties or supplies the cost of which meet or exceed \$10,000, from any one vendor at one time. To obtain a purchase order, a Purchase Order Request Form is completed in detail, appropriate project approval obtained and then the request is submitted to the Foundation for approval and processing.

#### Cash Requests:

Cash Requests are used by Foundation projects to secure petty cash funds for in office use, cash advances to purchase items needed for projects and for reimbursement of out-of-pocket expenses up to \$200 per day. **Cash requests may not be used to request reimbursement for mileage or other travel costs.**

#### UNIVERSITY SERVICES:

University Services such as graphics, printing, word processing, and motor pool are often used by Foundation projects. To secure these services a Charge Authorization Form (CAF) must be completed with accurate project number/object codes and have appropriate signatory approvals before services can be obtained. These services are considered in-house services to the Foundation project and are charged the same rates as University Offices. Competitive bids are not required for in-house services.

The Charge Authorization Forms are distributed from the State Business Office to the Foundation for review and processing on a monthly basis. The Foundation projects are then automatically charged based on the CAF received by the Foundation.

#### EMERGENCY PURCHASES:

The Foundation provides a 24-hour processing service to expedite a purchase orders or check request to meet the project/program needs. This process requires the same paperwork and approval signatures as the normal process and is subject to the followings restrictions:

- The purchase must be a reasonable, allocable and allowable charge to the specific project.
- If the charge for a funded project is not in the approved project budget, prior approval from the funding agency may be necessary.
- Equipment purchases are generally secured using a purchase order to ensure proper handling and recording for inventory purposes. If equipment is purchased by project personnel and then submitted on a check request for reimbursement, the Foundation has the discretion to deny approval if appropriate information is not received or proper bidding procedures were not followed.
- Chemical Substances (Hazardous materials) must be secured using a purchase order to ensure proper handling of the substances and University notification.
- Purchases for a radioactive material must be accompanied by an Authorization to Purchase or Accept Radioactive Materials or Radiation Producing Devices form signed by the campus Radiation Safety Officer.