

UC Davis Policy and Procedure Manual

Chapter 350, Supplies and Equipment

Section 10, Procurement Authority

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Responsible Department: Materiel Management

Source Document: Business and Finance Bulletin BUS-43, Materiel Management

I. Purpose

This section covers authority to purchase University goods and services, universal purchasing policies, and procedures for administrative review of unauthorized purchases.

II. Policy

Authority to purchase goods and services

A. Director, Materiel Management

The Director of Materiel Management has unlimited authorization to commit University funds for procurement of goods and services by issuance of a purchase order. UCDHS purchasing authority is delegated by the Director of Hospital & Clinics to the UCDHS Manager, Materiel Management, Purchasing Department.

B. Purchasing Department

The Purchasing Department assists departments in meeting their instructional, research, and operational needs by procuring equipment, supplies, and services in a timely and equitable manner, i.e., maximizing departmental operating expense funds by balancing quality, quantity, delivery, and price requirements. State law and Federal regulations subject the University to competitive bidding rules. The Purchasing Department is responsible for assuring that each procurement action meets the mandates applicable by law, statute, or policy and is authorized to issue official orders and contracts for University procurement action. Portions of this authority have been redelegated as described in C.2 and D, below.

C. Department head

1. The department head or his/her designee is authorized to approve DaFIS Requisitions (PR) for goods and services. (See Section 350-25 and UCDHS Hospital Policies and Procedure Manual Section 1831.) For some purchases additional administrative approval of a dean, vice chancellor, review group, or Office of the President is required. Approval requirements are accomplished in DaFIS via account manager, review hierarchy, special condition, and ad hoc approvals, and stipulated in applicable sections of this manual.
2. The department head (or designee) with purchasing delegation may authorize direct purchases through the use of University supply or pool purchase agreements, purchasing blankets, open-vendor orders, purchasing cards, and petty cash funds, subject to clearly defined conditions and limitations. (See Sections 350-21, and 350-22, and UCDHS Hospital Policies and Procedure Manual Sections 1835, 1859, and 2220.)

D. Special travel delegation

When an individual is traveling on official University business and normal purchasing procedures cannot be followed, the individual may purchase up to \$500 of supplies or equipment necessary to accomplish the purpose of the trip. Expenditures over \$500 require the prior approval of the Director, Materiel Management. (See Section 300-10.)

III. Purchase Criteria

- A. Conducting business with consultants, employees, former employees, and independent

contractors

California Public Contract Code Sections 10515 through 10524 restrict the way UC does business with consultants, employees, former employees, and independent contractors. It primarily impacts successor contracts, employee vendors, and contractors who are former UC employees. See Section 330-05.

B. Small business enterprises

1. University commitment

The University is committed to a program that seeks out and encourages small business enterprises, particularly small disadvantaged, women-owned, and disabled veteran business enterprises, to become suppliers of the University when in the public interest and to the extent consistent with basic University materiel management principles that, especially as they pertain to purchasing activities, include:

- a. Recognition that the basic purpose of materiel management is to support the teaching, research, and public service missions of the University in a cost-effective manner that best serves the interests of the people of the State of California.
- b. Full compliance with obligations undertaken by the University as set forth in the specific terms, conditions, and provisions of Federal contracts and grants and other similar extramural sponsor agreements.

2. Federal contracts and grants

- a. Federal agencies are required by statute, Executive Order, or regulation to implement certain public policies through their procurement process. Current policies that have an impact on educational institutions in their purchases of goods and services require that small, disadvantaged, women-owned, and disabled veteran business enterprises shall have the maximum practicable opportunity to participate in the performance of Federally funded contracts let by the University.
- b. The University is obligated to carry out these Federal policies to the fullest extent consistent with the efficient performance of any contract and grant work undertaken by the University.

C. Energy efficient equipment

The University is committed to purchase energy efficient equipment that meets EPA Energy Star requirements. These include but are not limited to personal computers, printers, copiers, faxes, laboratory equipment, lighting, refrigerators, and HVACs.

D. Americans With Disabilities Act (ADA)

When purchasing products, departments shall consider options that would accommodate the needs of individuals with disabilities. For example, videotapes, CDs, DVDs, or other visual aids for classroom instruction that provide closed captioning for the hearing impaired shall be purchased over those that do not have this option.

E. Sustainability

Purchases shall meet present needs while promoting sustainable practices that support ecological, human, social and economic vitality and awareness for both the campus and the global community.

F. Employee common areas

With department head approval, University-controlled funds may be used to purchase appliances (e.g., refrigerators, microwaves, coffee makers) for employee common areas/break

rooms or when a department has a legitimate business need (e.g., departments that regularly serve the public).

G. Personal purchases

1. University credit, purchasing power, and facilities may not be used to purchase goods or services for individuals or for non-University activities, including the following:
 - a. Materials or services for personal use including but not limited to plants, plant pots, vases, flowers, pictures, paintings, picture frames, desk ornaments, or the purchase of appliances not consistent with III.F, above.
 - b. Materials or services for nonofficial University activities, consistent with Section 330-80.
2. The above listed or similar purchases are not reimbursable, and the responsible individual must pay the charges if return is not possible.

H. Unauthorized purchases

1. An unauthorized purchase is a purchase, letter of intent to purchase, or request for scheduling in advance of an order that is made by a person who lacks the proper authorization to commit funds. An unauthorized purchase usually becomes evident, after the fact, on a Purchase Requisition with a request that the Purchasing Department issue a confirming order. Occasionally, such a purchase may be evidenced only by an invoice from the vendor or by a request for issuance of a check.
2. Use of confirming requisitions and purchase orders to authorize retroactively unofficial commitments made to vendors by unauthorized personnel is a violation of University policy.
3. An individual who is not an authorized designee who makes an unauthorized purchase of goods or services shall be responsible for payment of the charges incurred.
 - a. For unneeded items or items whose purchase would not otherwise be authorized, the unauthorized individual shall be required to pay either the full amount or the amount of any cancellation charges incurred when cancellation can be arranged.
 - b. For needed and proper items, the unauthorized individual shall be required to pay the difference between the charges such individual incurred and those the University would be reasonably expected to have incurred.

IV. Procedures for Review of Unauthorized Purchases

A. UCDCM departments

All unauthorized purchases at UCDCM, regardless of amount, shall be forwarded to UCDCM Materiel Manager.

B. Unauthorized purchases up to \$500 that would otherwise comply with Section 350-21.

Responsibility	Action
Department head or designee	<ol style="list-style-type: none"> 1. For an item not needed by department, returns item or directs responsible individual to pay charges if return is not possible. <p style="text-align: center;">or</p> <ol style="list-style-type: none"> 2. For an item that would otherwise be purchased by department, initiates, as appropriate, a Departmental Purchase Order (DPO) and Vendor Invoice (VI) in

	<p>DaFIS to pay the vendor, or a DaFIS Direct Charge (DC) document to reimburse the employee.</p> <p>3. Attaches the original payment receipt or vendor invoice to the AP Request for Document Action form and forwards to Accounts Payable for check processing.</p>
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C. All other unauthorized purchases

Responsibility	Action
Individual requesting reimbursement/vendor	<p>1. Prepares a memo explaining the reason for the purchase and requesting approval for payment. Forwards memo to Department head or designee.</p>
Department head or designee	<p>2. For an item not needed by department, returns item or directs responsible individual to pay charges if return is not possible.</p> <p>or</p> <p>3. For an item that would otherwise be purchased by department, approves and forwards the memo to the appropriate dean or vice chancellor's office.</p>
Dean/vice chancellor or designee	<p>4. Disapproves payment and instructs department head to return material or to direct responsible individual to pay charges if return is not possible.</p> <p>or</p> <p>5. Approves memo and sends it to department.</p>
Department	<p>6. Initiates a DaFIS Requisition (PR). If reimbursing an employee directly, the employee's information must be entered in the Suggested Vendors section, and the Vendor Number field must be left blank.</p> <p>7. Attaches the memo and original payment receipt or vendor invoice to the Cover Sheet for Requisition Attachments and sends to Purchasing.</p> <p>Note: UCDHS requests are forwarded to UCDHS Materiel Manager.</p>

Director, Materiel Management or designee	8. Determines whether circumstances relating to purchase are justified. 9. Returns disapproved request through dean/vice chancellor or designee with instructions to return material or to direct responsible individual to pay charges if return is not possible. or 10. Approves and releases Purchase Order (PO).
Department	11. Initiates a DaFIS Vendor Invoice (VI) against PO issued by Purchasing. 12. Attaches the original payment receipt or vendor invoice to the AP Request for Document Action form and forwards to Accounts Payable for check processing.

V. References and Related Policies

A. Office of the President (<http://www.ucop.edu/ucophome/coordrev/ucpolicies/>):

1. Business & Finance Bulletin BUS-43, Materiel Management, 2/5/04.
2. Delegation of Authority--Execution of Purchase Contracts, Subcontracts, and Standard Purchase Orders for Materials, Goods, and Services to Be Supplied to the University (DA2100), 6/11/98.

B. UCD Policy and Procedure Manual (<http://manuals.ucdavis.edu/PPM/about.htm>):

1. Section 300-10, Travel Policy Overview.
2. Section 330-05, Business Contracts.
3. Section 330-80, Entertainment with University-Controlled Funds.
4. Section 350-21, Departmental Purchase Delegations.
5. Section 350-22, Purchasing Cards.
6. Section 350-25, Procurement through the Purchasing Department.