

# UC Davis Policy and Procedure Manual

## Chapter 350, Supplies and Equipment

### Section 25, Procurement Through the Purchasing Department

Date: 3/6/06, rev. 1/22/07

Supersedes: 7/1/97

Responsible Department: Materiel Management

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

---

#### I. Purpose

This section outlines procedures for purchasing goods and services through the Purchasing Departments. All purchases must be made through the Davis campus Purchasing Department or UCDHS Purchasing Department except those approved for direct departmental purchase as explained in Section 350-21. Refer to Section 350-10 for basic University purchasing policy, including procurement authority, the responsibility to use small business enterprises when possible, and unauthorized commitments to vendors.

#### II. Policy

- A. The University shall meet its need for goods and services at the lowest overall cost while affording the maximum opportunity practicable to those who wish to become suppliers to the University.
- B. State law and Federal regulations subject the University to competitive bidding rules. The Purchasing Departments are responsible for assuring that each procurement action meets the mandates applicable by these and other policies, laws, or statutes.

#### III. Ordering Through the Purchasing Department

Purchasing on the Davis campus is accomplished through the UC Davis Financial Information System (DaFIS). For UCDCM departments, separate procedures for ordering electronically through the Materiel Management Information System (MMIS) are available from the UCDHS Purchasing Department.

##### A. Procedures

1. The department prepares a Requisition (PR) document in DaFIS, allowing reasonable time to obtain administrative approvals, to seek competition and to allow for vendor lead-time and timely delivery. (See DaFIS Online Help under the Help menu while in the Requisition. Refer also to Section 350-24 for equipment screening and sharing requirements.)
2. When placing order for materials that might contain hazardous substances, the department shall request that the vendor supply copy of current Material Safety Data Sheet (MSDS) with shipment by citing commodity code "MSDS." (Consumer products packaged for distribution to and use by the general public are exempt from the MSDS requirement. Refer also to Section 290-27.)
3. The department shall provide detailed specifications on the DaFIS Requisition (PR) document; completes the cover sheet for requisition attachments ([http://purchasing.ucdavis.edu/forms/BC\\_faxcover.doc](http://purchasing.ucdavis.edu/forms/BC_faxcover.doc)) to accompany samples, sketches, or other attachments mailed or faxed to the Purchasing Department; alerts Purchasing Department of pending arrival of attachments on Requisition (PR) "document notes" screen.
  - a. Technical and performance specifications must be adequately detailed and specific to obtain fair competition and, to the fullest extent practicable, must not favor one brand, trade name, article, model, manufacturer, or supplier over another.

- b. When a sole source purchase is required, written justification (either the Sole Source Justification and Disclosure Statement, or double-click the Sole Source ID field in the requisition document header) must accompany the DaFIS Requisition (PR). The justification must explain in detail the uniqueness of the goods or services requested and must be supported by factual, auditable statements of need, and signed by the principal investigator, department head, or director. University employees who were involved in that decision must disclose whether or not they have a potential or actual conflict of interest on the Sole Source Justification & Disclosure Statement forms. University employees cannot make or participate in any purchasing decision that places them in a conflict of interest between their official University duties and any other interest or obligation. University employees who have a business relationship with or financial interest (including that of a near relative) in the suggested vendor, who are conducting research for the suggested vendor, or who have received or anticipate receiving gifts, honoraria, or research grants from the suggested vendor must disclose the possible conflict of interest. (See Section 380-16.)
4. The Purchasing Department designates a buyer and maintains liaison with the ordering department from the date of receipt of the approved requisition until receipt of goods or services.
5. The Purchasing Department places the order against an existing mandatory supply agreement, or, when a supply agreement does not exist or the vendor cannot meet requirements, selects a vendor whose prices are determined reasonable and offers the lowest cost, or obtains competitive quotations when required by Universitywide guidelines, State law, or Federal regulation.
  - a. The purchase must be awarded to the lowest responsible bidder meeting specifications, essential requirements, and University terms and conditions.
  - b. Upon request, the department may review quotations and participate in the selection of a vendor. Information supplied for review is confidential and may not be discussed with or disclosed to any vendor.
  - c. Individuals participating in the selection of a vendor must develop evaluation criteria and a corresponding point schedule prior to receiving bid materials from the Purchasing department. Each evaluator must disclose in writing whether or not they have a conflict of interest. Anyone who has a conflict of interest cannot participate in the evaluation or selection of a vendor (see III.3, above, and Section 380-16.)
6. The Purchasing Department prepares purchase order contract in DaFIS and announces award of purchase to the department and bidders. (Departments shall make no announcement concerning selection of vendor until Purchasing Department has released the information.)
7. When applicable, the Purchasing Department clearly defines any rebate program on purchase order contract, including requirement that vendor provide quarterly report of rebates earned, used, and remaining balances. Reports are sent to the campus Purchasing Department and campus Accounting & Financial Services, or to the UCDHS Purchasing Department and UCDHS Controller. (See Section 350-21.)
8. To expedite late deliveries, the department contacts vendor directly. If unsuccessful, the department may request the Purchasing Department to resolve problems with the vendor.
9. To cancel an order because of vendor's inability to deliver by a certain date, the

department requests Purchasing Department buyer in writing to cancel and place order with next lowest responsible vendor meeting specifications or pursue other alternatives, whichever is in the best interest of the University.

10. To change a purchase order, the department initiates a Change Purchase Order/Business Agreement (CO) document in DaFIS to notify the Purchasing Department buyer of proposed modification including the reason for the request.

**B. Emergency Purchases**

1. If an extreme emergency exists (e.g., need for specific materials to continue a research project), the department calls appropriate Purchasing Department buyer to request emergency action.
2. The Purchasing Department Buyer determines appropriate action depending upon size of order, time available, fund source, and items requested.

The buyer may assign an emergency Purchase Order number and authorize the department to place an order by email or phone. Upon receipt of invoice, the department immediately prepares a DaFIS Requisition (PR) citing the emergency Purchase Order number and buyer name in the "explanation" field. The buyer processes the Purchase Order when the department's Requisition is fully approved in DaFIS and received in the Purchasing Department.

**V. References and Related Policies**

- A. Accounting Manual, Chapter D-371-36, Disbursements: Invoice Processing in Response to Purchase Authorizations, 9/30/99.
- B. Business & Finance Bulletin BUS-43, Materiel Management, 2/5/04.
- C. Office of the President: Delegation of Authority--Execution of Purchase Contracts, Subcontracts, and Standard Purchase Orders for Goods and Services to Be Supplied to the University (DA2100), 6/11/98.
- D. UCD Policy and Procedure Manual:
  1. Section 290-27, Hazardous Substances Communication Program.
  2. Section 350-10, Procurement Authority.
  3. Section 350-21, Departmental Purchase Delegations.
  4. Section 350-24, Equipment Screening and Sharing.
  5. Section 380-16, Conflict of Interest.