

Table of Contents

1. Purpose..... 2
2. Definitions 2
3. Financial Commitments 2
4. Competitive Bidding..... 3
5. Vendor Grievance 4
6. Employee or Individual Restriction..... 4
7. Employee Responsibility 4

R. Purchasing and Financial Obligations

1. Purpose.

1.1 Policies. This statement sets forth the policies applicable to the purchase of goods and services with funds administered by the University; and other contractual arrangements involving the University in financial obligations of any kind.

1.2 Establishment of Regulations. The Administration shall establish regulations and procedures governing purchasing and other financial obligations consistent with Board policies, applicable laws and regulations, and sound and equitable business and accounting practices. All financial transactions are subject to Board policies regarding conflict of interest.

2. Definitions.

2.1 “Competitively Bid” is a formal process managed by the Purchasing Department which involves multiple vendors submitting bids for a product, service, or material that a business needs.

2.2 “Competitively Sourced” is a process that involves asking multiple suppliers for quotes on goods or services to ensure that the best value is obtained. Washburn will designate three (3) as the number of quotes required.

2.3 “Institutional Required Purchases” means purchases required for the general operation of the University. These include, but are not limited to university benefits, university legal services as approved by General Counsel, official contract/agreements for international recruitment, athletic conference or NCAA required contracts, centralized software/hardware, Public Broadcasting Services, accreditation fees, approved institutional memberships, temporary or intermittent services, and other unique specialized services in the best interest of the University.

2.4 “Project” is a purchase with a total scope of work that accumulates to **\$100,000.00 or more. Scope of work is identified during the annual Capital Equipment and Technology request process.**

3. Financial Commitments.

3.1 Advance Approval Required. University purchases and other agreements shall be approved in advance. Any purchase or obligation requiring an expenditure of \$150,000 or more annually must be approved by the Board in advance of incurring the obligation. Approval of all other financial obligations shall be by signature of the President, the Vice President for Administration and Treasurer (VPAT), or VPAT designee.

3.2 Exceptions. The Board recognizes it is in the best interests of the University to make exceptions to the above policy; therefore, the Administration is authorized to make the following types of transactions.

3.2.1 Payments for utilities services, licensing fees, institutional required purchases, and purchases of products for the purpose of re-selling in one of the two University retail sales departments, Bookstore or Dining Services, may be made without prior Board approval even when the amount exceeds \$150,000.

3.2.2 Certain financial transactions, such as procurement card or small dollar purchases, may be made without advance approval through a purchase order or other contract form. The VPAT shall maintain a system to accomplish such transactions. The system shall limit the types and the dollar amount of the transactions.

3.2.3 Projects which have been previously approved by the Board under \$1 million do not need the individual purchases within the project to be presented and approved by the Board separately, regardless of the purchase amounts, if the project stays within the Board approved project budget. Projects over \$1 million will only require approval for the project designer and the prime construction contractor. All purchases shall follow University regulations and procedures.

3.2.3.1 Projects whose costs exceed the Board approved amount by greater than \$150,000 or 10% of the approved budget shall be submitted for Board approval of the new Project Budget amount.

4. Competitive Bidding.

4.1 Requirement Limit. Any purchase reasonably expected to be \$10,000 to \$49,999 shall be competitively sourced while those expected to be \$50,000 or more shall be competitively bid through a formal process managed by the Purchasing Department. This requirement may be waived by the VPAT or VPAT designee when:

- There is an emergency, unforeseen and immediate need;
- There is only one known source for the purchase;
- Where negotiation would render a more favorable outcome;
- The product is for resale;
- The product or service requires compatibility with existing systems/equipment;
- Products or services available through current contracts established by the State of Kansas or governmental agencies; or
- Products or services available on contracts established by competitive process by purchasing cooperatives/consortiums;

4.2 Additional Requirement. The VPAT or VPAT designee shall have authority to require competitive bids for purchases of any dollar amount.

4.3 Contract Award. Any contract awarded will be to a responsible vendor who submits the best, qualified, and responsive bid and/or proposal as determined by the University. In the event that the qualified responsive bids are comparable, the University shall give preference to business with a physical place of business in Shawnee County, Kansas. Conformity with specifications, terms of delivery, and other related conditions will be taken into consideration.

4.4 Right to Reject. The University shall maintain the right to reject any and all bids.

5. Vendor Grievance.

5.1 Appeal Process. The University shall have in effect a formal procedure for a vendor to raise a grievance with the University concerning a bid solicitation or award. The procedure shall include a process of appeal to the VPAT when the vendor believes the decision is arbitrary and capricious, or not supported by the evidence.

5.2 Vice President's Decision Final. The decision of the VPAT shall be final and the vendor shall be deemed to have exhausted its administrative remedies.

6. Employee or Individual Restriction. Purchases by the University for Employees or other individuals for personal or private use are prohibited.

7. Employee Responsibility. Each Employee is responsible for following University policies, regulations, and procedures. Failure to do so shall subject the Employee to disciplinary action.