

## UNIVERSITY ENTERPRISES CORPORATION AT CSUSB

**Policy #:** 420.0  
**Date:** September 1, 1998  
Updated: March 9, 2016  
Next Review: March 9, 2018

### **TITLE: PROCUREMENT POLICY**

The purpose of this policy is to have a management system in place for the purchase of goods and services using University Enterprises Corporation at CSUSB (UEC) funds.

UEC is committed to active competition in the purchase of goods and services that will aid and supplement the auxiliary support service activities provide by UEC. Purchases from requesting departments/projects (buyers) are encouraged to use campus or system approved vendors with whom contacts have been developed. When utilizing UEC funds the purchase must be a reasonable, allocable and an allowable charge. A UEC or California State University San Bernardino employee by virtue of their positons shall not derive any benefit, gain or preferential treatment for the purchase of good, services, or equipment.

Purchases of goods, services and equipment utilizing sponsored program funds may be subject to additional agency restrictions and should also adhere to the applicable requirements set forth in the funding agency award, contract or agreement and its approved budget.

The Auxiliary Financial Services Department, which provides finance and accounting services to UEC will ensure that the required paperwork is provided prior to processing payment.

Please note: As a recipient of federal awards, UEC has adhered to the Procurement Standards in Office of Management and Budget (OMB) Circular A-110. As a result of the implementation of the (OMB) Uniform Guidance (2CFR 200) effective December 26<sup>th</sup>, 2014, the Procurement Standards represent a major change from prior federal guidelines in the OMB Circular A-110. The OMB has agreed to postpone the requirement for compliance with these standards until July 1, 2017. UEC has elected to delay implementation and continue under A-110 until that date in order to conduct additional review of this policy to determine what changes will be necessary.

#### **Under \$10,000**

Purchase requisitions for goods and services under \$10,000 (exclusive of sales tax) are generally processed without bids or quotes. It will be assumed that the purchaser from a requesting department/project (buyer) will have already determined the best price and the most qualified vendor. However, if in UEC's judgment, the prices do not seem reasonable, UEC may obtain additional quotes.

#### **\$10,000 to \$49,999.99**

Requisitions for amounts between \$10,000 and \$49,999.99 (exclusive of sales tax) shall be processed within the general guidelines of determination of reasonable price.

Quotes in writing or via electronic modes shall be obtained for these transactions in order to develop a source, validate prices, or for other sound business reasons. Quotes shall be obtained from three vendors and should include applicable specifications, vendor name, address, telephone number, and total dollar amount. Before an order is placed, the buyer will determine that the price is reasonable and document how that determination was made. Every effort shall be made to secure quotations and develop sources from small and disabled veteran owned businesses. Documentation should be submitted when a requisition is generated and will be maintained with the purchase documents for audit purposes.

A Sole Source/Brand Approval justification may be utilized if applicable to the purchase or if the vendor or subcontractor is named in the awarded sponsored project proposal or budget.

Reasonable price is defined as a price that does not exceed that which would be paid in the conduct of a competitive business. It may be established by market quotes, price or cost analysis. A reasonable price need not be the lowest price available, but is one which offers acceptable value to UEC and/or a sponsored project.

### **\$50,000 and over**

Except in the instances of fully documented Sole Source/Brand Approval justification or named vendor or subcontractor in an awarded sponsored project proposal or budget, UEC is required to obtain formal (written, sealed) bids on orders in this price range. Specifications must be complete for the items requested. Failure to identify specific requirements for any desired item may result in items being bid which do not meet the needs of the department or project. Vendors are allowed approximately 30 calendar days to respond after solicitations to bid have been issued. Bids received are evaluated in consultation with buyers, and orders are issued to the lowest responsible bidder.

Buyer should consult with their UEC or Sponsored Program Administration contact to determine the appropriate handling of the formal bid process.

### **Note**

The dollar amounts listed above include shipping charges but exclude sales tax. For example, if the requisition total before tax is \$9,999.99, no bid activity is required. However, if there are any shipping charges in addition to the \$9,999.99, you will be required to follow the guidelines for requisitions of \$10,000 and over.