

PURCHASING POLICY & PROCEDURES

Policy Regarding Purchases of Goods and Services

1. Purpose – To set forth the policy to be followed in the procurement of all goods and services. This policy applies to all schools, divisions, departments, programs, and funds unless otherwise noted.
2. General
 1. Purchases Under \$5,000
 1. Purchases under \$5,000 shall not require competitive bidding.
 2. Reasonable and prudent business practices shall be followed regarding all purchases under \$5,000.
 3. University Legal Counsel shall review all contracts that exceed \$1,500.
 2. Purchases Over \$5,000
 1. Purchases over \$5,000 must be bid competitively under established University business practices utilizing Purchasing procedures.
 2. Reasonable and prudent business practices shall be followed regarding all purchases over \$5,000.
3. Policy
 1. All purchases of goods and services shall be coordinated through the Purchasing Department of the Business Office. It shall be the direct responsibility of each department head to control all transactions against their assigned budget accounts to ensure that such transactions conform to the policies of the University. This responsibility includes, but is not limited to, all requests for purchases of goods or services and all requests for payments.
 2. Disbursements of any kind regardless of funding source.
 1. Authority to sign purchase requests or payment requests shall be delegated in writing by the President and shall include the Vice President for Fiscal Affairs and any other appropriate individuals who are deemed necessary for conducting business for the benefit of Lincoln University. Copies of the President's written signature delegation authority shall be kept by the President's Office, Vice President for Fiscal Affairs, and University Legal Counsel.

Procedure Regarding Purchases of Goods and Services

1. Authorization for Purchases of Goods and Services

1. Purchases in amounts of \$500 or less shall be approved by the appropriate Department head (Dean/Director or above) with the use of a Purchase Order or Check Request. Single transactions involving amounts of \$200 or less (which are not travel-related) should be processed through petty cash for reimbursement, if possible. Reasonable care should be used to prevent the use of petty cash payments for transactions over \$200 broken into increments of less than \$200.
2. Purchases in amounts of \$500 to less than \$5,000 (not requiring competitive bids) require the signature of the Vice President for Fiscal Affairs or the President or the Presidents' delegate as contained in the President's written signature delegation authorization, included herein by reference and attached. The President's written signature delegation authorization shall be reviewed and reauthorized on an annual basis to reflect the most effective processing of purchases of goods and services for the University. All individuals who are involved in committing University financial resources shall exercise reasonable fiscal prudence and diligence.
3. Purchases in amounts up to \$5,000 require the Purchasing Office to obtain or receive from the requesting department, a minimum of two price quotations in written form before purchasing authorization may be granted. The Purchasing Department reasonably may use its discretion to determine if additional price quotations/bids are necessary.
4. Purchases for amounts \$5,000 or greater require competitive sealed bids/proposals to be solicited in cooperation with the Department Head through the Purchasing Department. The Vice President for Fiscal Affairs or the President or the President's delegate as contained in the President's written signature delegation authorization included herein by reference and attached, shall authorize all purchases and contracts at this level.
 1. Bids may be awarded based on the following criteria; cost, quality of service or materials provided, safety standards, and quality and reputation of the vendor. Cost is not necessarily the most prevailing component of the decision, however, valid justification must be documented if cost is not the primary criteria.
 2. The President or Vice President for Fiscal Affairs shall approve waivers and exceptions to the requirement for bids. Emergency situations shall be deemed a valid basis for waivers or exceptions to the requirement for bid.
 1. Emergencies are situations when not addressed immediately, may reasonably cause disruption to the normal course of business, create an un-safe environment, or increase cost substantially if delayed.

2. All emergencies must be justified in written documentation and shall be subject to an annual audit review, by the Internal Auditor's office.
 3. The Purchasing Office must be notified as soon as reasonable possible of the emergency situations.
2. All procurements must adhere to General Ethical Standards, which include:
1. No attempt to realize personal gain;
 2. Avoid conflict of interest (or appearance of the same);
 3. No improper use of confidential information; and
 4. Cannot require the use of a non-competitive surety company, agency or broker.