



Policy 2.121 General Purchasing Policy

Responsible Official: Vice President for Finance/Chief Finance Officer

Administering Division/Department: Procurement Services

Effective Date: January 01, 2014

Last Revision: August 25, 2016

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Overview

This policy outlines the procurement practices for purchasing all goods and services at Emory University. The policy addresses competitive bidding and supplier selection, contracting authority, issuance of purchasing transactions, purchasing methods, authorizations, receipt of goods and services, required documentation, and ethical practices.

This policy as set forth is in accordance with [University Bylaws](#) as well as the University Contract Approval and Signature Authority Policy.

All funds deposited with the University, regardless of source, are University funds and must be handled in accordance with University policies and procedures. Although departments are allocated funds in their budgets for a given period, this allocation carries the authority to submit a request (requisition) to purchase goods/service, not the authority to purchase.

Purchases not covered by this policy include investment management services, insurance, employee travel and entertainment costs, legal services, employee benefit programs, construction contracts, and real estate.

Applicability

All Emory University employees.

Policy Details

Emory University personnel shall purchase goods and services using practices that are compliant with Federal and state laws and aligned with Emory's best business practices. Furthermore, goods and services purchased with sponsored funds must comply with sponsor terms and conditions. Finally, Emory University personnel must purchase goods and services using practices that leverage University-wide contracts, thereby maximizing the University's buying position and minimizing overall cost.

Overview

Purchases for University business must be made through standard methods, as outlined in the Purchasing Methods section below. The university's competitive bidding threshold is \$3,000, at which competition via bids and quotes from multiple suppliers is required before purchase of a good or service is completed. The Procurement Office may waive the bid requirement if there is an established preferred supplier contract in place.

For purchases below the University's competitive bidding threshold, Procurement Services should be used as the primary resource for guidance as needed. Faculty and staff members are not authorized to establish direct relationships with suppliers which will result in a fiscal demand upon the University.

Procurement Services has the authority to determine the supplier source that will be utilized to procure goods and services. Procurement Services has the sole authority to issue Purchase Orders on behalf of the University.

Contract Signing Authority

Please refer to the official university policy located at <http://policies.emory.edu/1.2>.

As taken from the aforementioned policy:

Individuals do not have the authority to enter into negotiations or approve or sign contracts with external entities on behalf of Emory unless there is: (1) authority as set forth in the Bylaws of the University or one of its corporate legal entities; (2) a resolution of the Board(s) of Trustees; (3) a valid delegation of authority from the President or other Emory official listed herein; or (4) a purchase made in accordance with Emory's Procurement Department Policies and Procedures.

Those with authority to authorize contracts should engage the services of the Procurement and Contract Administration department to ensure contract language and terms are not in opposition to standards and best practices set forth by Emory. Care must also be taken to ensure the selection of suppliers is done in a manner consistent with other awards.

Purchasing Methods

The University has defined standard purchasing methods for procuring goods and services for the University business purposes (listed below in order of preference). Refer to the University Buying in the Marketplace website for guidance on selecting preferred suppliers and the appropriate purchasing method: either preparing a purchase requisition or using a P-Card. Unless notified otherwise, individuals must adhere to the purchasing method(s) identified for each Commodity. Regardless of the method used, documentation, authorization, compliance with policies and procedures, and individual accounting integrity is the responsibility of the initiating department.

Purchase Requisitions

Emory's electronic requisitioning system (Emory Express) is the University's best practice approach and is required to purchase goods and services. Please note - a purchase requisition can and should be placed for all goods and services required at the University. Faculty and staff should not directly instruct suppliers to ship items. Purchase requisitions are initiated and must be approved by a duly authorized departmental approver.

Segregation of Duties

Departments must separate the duties of requesting procurement of goods and services from the approval of such requests. If staff limitations require one person to be responsible for these functions, a supervisor must accept responsibility for monitoring and verifying the transactions.

Note - the Emory Express system is configured so that a person cannot create and approve the same requisition.

Emory Purchasing Card

Emory University provides two methods for obtaining goods and services:

The *primary method* is through Emory Express and is the most cost effective way to obtain most goods and services. The cardholder should first review the [Emory's Commodity Matrix](#) list of items obtainable through Emory Express.

The *secondary method* is the Emory JP Morgan Chase Visa Purchasing Card (P-Card). The P-Card is for use by faculty and staff for low dollar purchases (\$1,499 and less) otherwise not available through Emory's contract suppliers. The card should also be utilized for recurring small dollar departmental charges. Refer to the [Emory Commodity Matrix](#).

All P-Card transactions must be reviewed and approved in a timely manner using the JP Morgan Chase PaymentNet online P-Card transaction tool. The P-Card policy may be reviewed [here](#).

Competition and Supplier Selection

The University requires and encourages competition among suppliers in providing goods and services to the University. Competition ensures quality, service and price that matches the stated needs of the University. Accordingly, those involved in supplier selection have the responsibility to search broadly and completely for viable suppliers. Procurement Services should be contacted to assist with identifying suppliers to meet your needs.

Competitive Bidding Requirements

For all purchase requests with non-contract suppliers, if the dollar value of the purchase exceeds the University’s competitive bidding threshold of \$3,000, the requesting department must:

- Obtain at least three competitive bids or quotes, or
- Complete the “Explanation for Single/Sole Source” form

Competitive bids are not required when purchasing products or services from preferred – contracted suppliers.

If there is a prevailing reason to do so, competitive bids may be required for purchases in any amount at the discretion of Procurement Services.

Preferred Suppliers

In order to streamline the supplier selection process, the University has established contracts with preferred suppliers for the most commonly purchased goods and services. Preferred suppliers are listed on the Buying in the Marketplace website and must be used whenever possible. Suppliers without University contracts should only be considered if preferred suppliers do not provide the good or service, or if the pricing is not competitive.

Diverse Suppliers

Every effort has been made to provide a selection of diverse suppliers which are able to meet the requirements of the University. These are suppliers who are able to certify they meet the standards for small, disadvantaged, minority, and/or women-owned suppliers set by the Federal Small Business Administration.

Sustainable Procurement

Emory’s sustainable procurement practices are designed to support the University’s efforts to monitor and reduce its environmental impact. Emory encourages the effort to procure goods and services with these standards in mind.

Emory’s Internal Service Providers

Emory’s internal service providers furnish a considerable amount of goods and services to the University. Every effort should be made to utilize Emory’s Internal Service Providers.

Restricted Suppliers

Federal guidelines (FAR 9.405-2 and FAR 52.209-6) prohibit subcontracting of Federal funds in excess of \$30,000 to an organization or individual who is debarred, suspended, or proposed for debarment unless there is a compelling reason to do so.

Issuance and Authorization of Purchasing Transactions

Procurement Services oversees the University’s purchasing process, including efforts to secure the best price and quality for the required goods and services and ensure compliance with University policies and Federal and state laws and regulations.

The departments listed in the table below are authorized to create departmental orders for the specific goods and services delegated to them as follows:

Purchasing Authority Delegations

Delegated Purchaser	Allowable Goods and Services
University Museums	Books and other items for University collections
Campus Services <ul style="list-style-type: none"> · Capital Construction · Non-Capital Renovations/Alterations 	Contracts for architectural, engineering, construction, and related consulting services, as well as for capital and specific non-capital construction projects, renovations and alterations

Secondary Authorizations

Purchase Requisitions

Purchase Requisitions with an aggregate value equal to or greater than \$10,000 must be approved by the appropriate Senior Business Officer or Chief Business Officer assigned to the department or school.

Purchase Requisitions with an aggregate value equal to or greater than \$250,000 must be approved by the appropriate Executive Vice President (or their designee).

Deposits and Prepayments

It is uncommon that suppliers request prepayment or down payments from Emory. Any request to do so

should generate cause for concern. Any request from suppliers for deposits, down payments or prepayments in the amount of \$5,000 or greater must be pre-approved by the Assistant Vice President for Procurement Services.

Receipt of Goods Acknowledgment

Departments are responsible for verifying the actual receipt of goods and services. Receipt of goods acknowledgement confirms that purchased goods and services have been received in the manner and quantity ordered. Electronic receipt acknowledgement is required for orders in the amount of \$5,000 or greater. The receipt acknowledgement for these orders must be completed in Emory Express prior to any payments being released to the supplier.

The receiving process is to be completed in a timely manner (within 10 business days of receipt of goods).

Ethical Practices

University personnel involved in the purchasing process must also follow the requirements set forth in the University's Standard of Business Conduct and Purchasing Code of Ethics. Any situation that compromises, or appears to compromise, any personnel involved in the procurement process must be reported immediately to the Assistant Vice President for Procurement Services. Violation of the requirements noted above will lead to disciplinary action, up to and including termination of employment. In general, ethical practices include, but are not limited to, observing the guidelines in this section.

Confidentiality

When discussions arise between suppliers and University departments, University personnel involved in the procurement process may only discuss the specifics of applicable policies and standard procedures as they impact specific orders.

To protect a supplier's right to confidentiality and the University's interest, competing suppliers must not be told the prices, terms, or conditions quoted by other suppliers. All university personnel must respect the confidentiality in all procurement activities.

Gifts and Business Meals

University personnel and members of their immediate family may not accept personal gifts or entertainment from any supplier by any means, directly or indirectly, at any time of the year. This includes but is not limited to, items of value, quasi-social invitations, credits for supplier promotions, etc.

A business meal may not be paid for by a supplier except in the following situations:

- When individuals authorized to issue purchase orders visit the suppliers business as part of a review of the supplier's capability to service the University or to review a new product or new facilities, or
- When individuals perceive that continuing discussions with a supplier through mealtime has particular merit, they may continue the meeting at the expense of the supplier or the expense of the authorized employee. Repetitive mealtime meetings are not appropriate and should be discouraged.

Conflict of Interest

All personnel involved in the procurement process who request that orders be directed to suppliers that employ members of their families, or when they or members of their families have a financial or other interest, must report this information to the Assistant Vice President for Procurement Services prior to creating the requisition. This information will be formally documented in the purchasing transaction record.

Violation of Policy

This University Policy is intended to maximize the University's buying power, streamline business practices and reduce potential institutional risks associated with contracting and other procurement related activities. Violation of University policies may carry disciplinary consequences, up to and including dismissal.

Related Links

- Current Version of This Policy: <http://policies.emory.edu/2.121>
- [Emory Commodity Matrix](https://www.finance.emory.edu/home/Procure%20and%20Pay/purchasingmethodswlinks.8.16.13.pdf) (https://www.finance.emory.edu/home/Procure%20and%20Pay/purchasingmethodswlinks.8.16.13.pdf)
- [Purchasing Card Policy](http://policies.emory.edu/2.23) (http://policies.emory.edu/2.23)
- [University ByLaws](http://www.emory.edu/secretary/governance/bylaws.html) (http://www.emory.edu/secretary/governance/bylaws.html)
- [Contract Approval and Signature Authority](http://policies.emory.edu/1.2) (http://policies.emory.edu/1.2)

Revision History

- Version Published on: Aug 20, 2014 (*Please refer to the preapproval email submitted by Loette (8/17/2016)*)
- Version Published on: Aug 20, 2014 (*Change made to position title.*)
- Version Published on: May 08, 2014
- Version Published on: Dec 10, 2013 (*Original Publication*)

Emory University policies are subject to change at any time. If you are reading this policy in paper or PDF format, you are strongly encouraged to visit policies.emory.edu to ensure that you are relying on the current version.