Procurement Policy

This policy is applicable to the following auxiliary corporations:

- [ ] Agricultural Foundation
- [ ] Association
- [ ] Associated Students, Inc.
- [ ] Athletic Corporation
- [x] Foundation
- [ ] Programs for Children

REVISION RECORD

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<th>Date</th>
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DOCUMENT CONTROL

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Responsible Position(s):

Deborah S. Adishian-Astone
Executive Director

Keith Komposi
Director, Foundation Financial Services

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PURPOSE

The purpose of this policy is to set forth the manner in which the Foundation procures goods and services for internal, trust account, and sponsored program activities.

STATEMENT OF POLICY

1. Purchases shall be made in a cost-efficient manner which supports and facilitates competition while still meeting the operational requirements of the Foundation, such as quality, specifications, service, and product availability.

2. Purchases shall follow what is customary in the marketplace for a particular commodity or product and be consummated in such a manner so as to constitute a reasonably prudent and well documented business transaction.

3. Sustainable and/or recycled products shall be considered for procurement in place of non-sustainable/recycled products whenever such products are available at no additional cost.

4. Procurement of goods, services, and equipment for sponsored programs must adhere to the requirements set forth in the Grantor’s contract/agreement and the approved budget.

5. Procurement of goods, services, and equipment for campus programs (trust accounts) shall be procured consistent with the policies set forth herein and approved by the authorized account signer.

6. Certain trust account expenditures may not be made in the name of the California State University, Fresno Foundation as they could create an obligation of the Foundation that may require approval by the Foundation Board of Governors. Such expenditure should be reviewed by Staff Counsel and if necessary may require the approval of the Executive Director.

7. Procurement of goods, services, and equipment for the day-to-day management and operation of the Foundation must be consistent with the line item amounts included in the annual budget approved by the Foundation Board of Governors and the University President.

8. No Foundation Governor, auxiliary employee, or California State University employee by virtue of their position, will violate the Foundation’s Code of Conduct by personally deriving any benefit, gain or preferential treatment for the purchase of equipment, supplies or services. Sales to Governors, auxiliary employees, or California State University employees shall be at no
less than retail value, and shall not violate the Foundation's Code of Conduct.

9. Violation of this policy or the Foundation's Code of Conduct could cause an employee to be subject to disciplinary action.

10. Notwithstanding anything contained in this policy we are to follow the stricter of the CSU policies, Fresno State policies or policies within sponsored program contracts.

Execution of purchase orders and written agreements shall be consistent with signature authority resolution(s) approved by the Foundation Board of Governors.

The Executive Director and the Director of Foundation Financial Services are charged with the responsibility of implementing this policy on behalf of the Foundation in accordance with the management services agreement.

REGULATIONS

1. Purchases of $10,000 or less may be approved by the appropriate project manager, administrator, or designee. Such purchases shall be reasonable and accomplished in a manner customary to the marketplace using sound business practices. Price quotations may be required if the Foundation determines the goods or services have been repetitively purchased from the same vendor. Purchase orders are optional, but strongly encouraged. For federally funded purchases the Foundation shall follow the micro purchase threshold of $10,000 as set forth in the office of Management and Budget (OMB) memorandum M-18-18.

2. Purchases in excess of $10,000 require a Purchase Order (or, as required elsewhere within this policy, a written agreement) and must be approved by the Director of Foundation Financial Services or the Executive Director or his/her designee. Account holders shall obtain the following minimum competitive bids based upon price, quality, performance and/or technical specifications, and vendor responsiveness.
   a) Purchases in excess of $10,000 and less than $50,000 shall have a minimum of two (2) competitive bids.
   b) Purchases at or above $50,000 and less than $100,000 shall have a minimum of three (3) competitive bids.

In the event that all of these factors are equivalent among the competitive bids, preference shall be given to vendors whose operations stimulate the local Fresno County economy. Such procedures are not applicable to merchandise purchased for resale. Expired quotes or bids are not valid. If a vendor is providing pricing/quotes in accordance with a current State contract, no additional quotes will be required.
3. For sole source purchases, if you are unable to obtain bids required, a written justification and approval of the Executive Director and the Director of Foundation Financial Services is required.

Written sole source justification must include:
   a) Description of the unique performance factors of the products specified, including
      • Rationale for why these factors are required and only available from one source
      • Explanation of other products that have been evaluated and rejected, and the rationale for their rejection
      • Documentation as to why bids/proposals were not available from comparable vendor(s)
   b) If the purchase is for a federally-sponsored program, this requirement may be satisfied by one or more of the following:
      • Provide a written explanation of a public emergency that will not allow a delay in purchasing due to competitive solicitation
      • Provide written documentation from the awarding agency authorizing purchase

4. Purchases in excess of $20,000 require minimum competitive bids as outlined above and a formal written agreement to be executed prior to purchase, unless advance approval is given by the Executive Director or his/her designee. Such purchases are subject to the approval of the Executive Director or his/her designee, consistent with approved budgets. Any such agreements that relate to a federally sponsored contract shall include contractual provisions for legal remedies for contractor breach, termination by recipient, and compliance with Equal Employment Opportunity Commission requirements.

5. Purchases in excess of $100,000 shall be awarded as a result of a formal solicitation process. The formal solicitation shall comply with all California State University requirements for formal solicitation of goods, as applicable, per ICSUAM Policy 5000 series.

6. Equipment purchases requiring on-campus installation involving the provision of labor by the vendor/contractor will require a written agreement, which must be reviewed by Auxiliary Staff Counsel.

7. Open purchase orders may be used for routine repetitive purchases from the same vendor except for equipment.

8. Computer and Audio/Visual Equipment (Hardware or Software): The purchase of computer technology (hardware and software) shall be compatible with program or project goals and objectives, be within the approved budget, and, if applicable, be approved by the IT liaison in Technology Services to ensure alignment with campus IT standards.
9. Purchase involving items bearing the University logo, service mark, tradename, designs, seals and symbols must be approved by University Communications to assure compliance with the University Promotional Item Ordering Procedures. In addition, the Campus Print Shop shall be given first right of refusal to quote any purchases regarding printing.

10. Purchases utilizing funds from federally sponsored programs, grants or contracts shall be executed and approved in accordance with the sponsoring agency’s procurement policies and in accordance with terms and conditions contained in said contract or agreement. In absence of such policies, this policy will be followed.

In addition to the foregoing, the following shall apply:

a. Positive efforts shall be made to utilize small businesses, minority, women, or disabled owned businesses and Disabled Veteran Business Enterprises.

b. The Foundation is prohibited from contracting with or making sub-awards for covered transactions to parties or their principals that are suspended or debarred by any Federal department or agency.