



NAME OF POLICY				
Policy #	Origination Date	Responsible Office	Status	Approval Date
	02/01/2011	Business and Finance Purchasing Department	Final	09-06-2022

**Reason for Policy/Purpose Update**

To provide guidance and establish procedures for University employees who purchase goods or services on behalf of the University. It also provides vendors a fair opportunity to compete for the University’s business and to safeguard its funds.

**Policy Statement**

This policy is established to maintain the integrity and efficiency of the University procurement process to comply with Federal and State laws and third party regulations. It also provides faculty and staff with the basic knowledge of procurement activities and sufficient information to make decisions necessary to request purchases needed to effectively perform the functions of their offices.

**Who Needs to Know This Policy**

All University Faculty and Staff who purchase goods and services.

**Policy/Procedures**

Included within policy

**Website Address(es) for this Policy**

Dillard University Internet ([www.dillard.edu](http://www.dillard.edu)) and myDU ([myDu.dillard.edu](http://myDu.dillard.edu)) under Finances via the Dillard University Intranet.

**Contact(s)**

Leonora Byrd	Purchasing and Travel Coordinator	504-816-4384
Trudy Jackson	Purchasing Manager	504-816-4170

**Who Approved this Policy**

Executive Cabinet

**History/Revision Dates**

**Origination Date:** 02/01/2011  
**Cabinet Approval Date:** TBD  
**Updated:** 06/01/2013  
**Revised:** 11/28/2016  
**Revised:** 07/12/2022  
**Cabinet Approval Date** 09/06/2022

# DILLARD UNIVERSITY

---



## PURCHASING POLICIES AND PROCEDURES

**Vice President/CFO for Business and Finance**

**Ralph Johnson**

**Purchasing Manager**

**Trudy Jackson**

# Table of Contents

	<b>Page</b>
<b>Introduction</b>	
<b>Purpose</b>	
<i><b>Part I: Purchasing Policies</b></i>	
<b>Section 1.0: Purchasing Authority and Policy</b>	<b>9</b>
1.1 Dillard University Purchasing Policy	9
1.2 Dillard University Purchasing Dollar Thresholds	11
1.3 Authority and Duties of the Purchasing Manager	11
1.4 Purchasing Department Functions	12
1.5 Purchasing Department Organizational Chart	12
<b>Section 2.0: Code of Ethics</b>	<b>12</b>
2.1 National Association of Educational Purchasers Code of Ethics (NAEP)	13
2.2 Conflict of Interest	13
<b>Section 3.0: Vendors</b>	<b>13</b>
3.1 Preferred Vendors	13
3.2 Establishing New Vendors	13
3.3 Vendors Credit Applications	14
3.4 Vendors Contract	14
3.5 Debarment and Suspension	14
<b>Section 4.0: Procurement Documents</b>	<b>15</b>
<b>Section 5.0: Purchase Orders</b>	<b>16</b>
<b>Section 6.0: Specifications</b>	<b>18</b>
6.1 Purpose	18
6.2 Preparation	18
6.3 Types of Specifications	19
<b>Section 7.0: Purchase – ITT Equipment</b>	<b>20</b>
<b>Section 8.0: Purchases Greater than \$1 But not to Exceed \$10,000</b>	<b>20</b>
8.1 Purchases Under \$10,000	21

<b>Section 9.0: Purchases Greater than \$10,000 But not to Exceed \$50,000</b>	<b>21</b>
9.1 Purchases Under \$50,000	21
<b>Section 10.0: Purchases Greater than \$50,000 But not to Exceed \$100,000</b>	<b>21</b>
10.1 Purchases Under \$100,000	21
10.2 Considerations	21
<b>Section 11.0: Formal Sealed Bidding/RFP for Purchases Exceeding \$100,000</b>	<b>22</b>
11.1 Purpose of Competitive Bidding	22
11.2 Competitive Bidding	22
11.3 Bidding Notice	22
11.4 Addendum	23
11.5 Receipt of Bids	23
11.6 Evaluation of Bids	23
11.7 Public Opening of Bids	24
11.8 Contract Award	24
11.9 Contract Administration	24
11.10 Re-bidding of Annual Contracts	24
11.11 Bonding Requirements	25
<b>Section 12.0: Sole Source Purchases</b>	<b>25</b>
<b>Section 13.0: Emergency Purchase</b>	<b>26</b>
13.1 Emergency Order	27
13.2 After Hours/Emergency	27
<b>Section 14.0: Staff Training</b>	<b>27</b>

*Part II: Purchasing Procedures*

<b>Section 15.0: Process for Online Purchase Requisition</b>	<b>29</b>
<b>Section 16.0: Process for Purchase Order</b>	<b>32</b>
<b>Section 17.0: Process for Purchases Greater than \$1 But not to Exceed \$10,000</b>	<b>32</b>

<b>Section 18.0: Process for Purchases Greater than \$10,000 But not to Exceed \$50,000</b>	<b>33</b>
<b>Section 19.0: Process for Purchases Greater than \$50,000 But not to Exceed \$100,000</b>	<b>34</b>
<b>Section 20.0: Process for Formal Sealed Bidding/RFP for Purchases Exceeding \$100,000</b>	<b>35</b>
<b>Appendix: Electronic Requisition Flow Chart</b>	<b>36</b>

## Introduction

---

Procurement is an essential University business function. Procurement activities are expenditures made to public and private businesses for the purchase of goods and services, to obtain what is required, when needed, at the lowest practical price, always considering economic quality and advantages of competition and is one of the largest expenditure of University dollars.

The integrity and efficiency of the University procurement process is a crucial component of its credibility. More officials have been criticized for real or perceived conflicts of interest in the spending of University funds than for any other financial activity. Even with the knowledge of such potential criticism, University officials often misunderstand procurement's significant budgetary and public relations importance.

Even the perception of University officials misusing the procurement process for personal or political gain threatens the community's confidence in our educational system. Therefore, the University, all educational boards, and the Purchasing Manager must ensure a high standard of professional ethics in all personnel who participate in, or who can influence those involved in, making procurement decisions.

Changes in University rules and regulations may necessitate revising parts of this manual periodically.

## Purpose

---

Dillard University Purchasing Policies and Procedures Manual's purpose is to provide an operating procedure which established the manner for acquiring materials, supplies, and contracted services at prices, arrangements, quantities and quality established in the best interests of the university. It will also establish University-wide procedures in, receiving, tagging, and accounting for, items purchased by the University. It provides information concerning accountability for University property.

The Purchasing Manual provides faculty and staff with the basic knowledge of procurement activities and the role of the Purchasing Manager. It also provides the University departments with enough information to make decisions necessary to request the purchase of goods and services needed to effectively perform the functions of their offices.

Dillard University has adopted a centralized purchasing function, which provides an advantage to vendors and the business community to have a single, central link to the University procurement process. The Purchasing Department is the **only authorized department** to order goods and services on behalf of the University.

The Purchasing Department's goals are as follows:

- To procure the proper goods and services;
- To obtain the best value for goods and services;
- To ensure that goods and services are available where and when needed; and
- To guard against the misappropriation of assets acquired through the procurement process.
- Examples of goods are:
  - Copy paper, tools, office supplies, postage, copy machines, computers
- Examples of services are:
  - Presenters, lecturers, musical performers, speakers, DJ's, consultants.

***Purchasing also ensures that:***

- **Responsible bidders are given a fair opportunity to compete for the University's business.** This is accomplished by competitive bids and proposals, as well as by our purchasing policy.
- **University funds are safeguarded.** Although the Purchasing Department does not usually designate the types of purchases to be made, it attempts to see that the best value is received for the University dollar.
- Purchasing Department personnel accumulate a solid foundation of knowledge and experience about purchasing, marketing trends, prices, and vendors, that saves the University money on prices and allows for a more efficient procurement process; and
- Centralized knowledge and expertise puts the purchasing function on a professional footing and inspires confidence in the actions of the University.

The Purchasing Department is committed to promoting effective, professional and consistent procurement, as well as supporting the belief that University dollars are wisely spent.

University purchasing procedures are subject to change as needed, particularly in regards to paper processes and board approvals and changes.

## ***Part I: Purchasing Policies***

## **Section 1.0**

### **Purchasing Authority and Policy**

#### ***1.1 Dillard University Purchasing Policy***

**The Dillard University Purchasing Policy shall:**

- Seek the best quality, lowest priced good or service that meet the needs of the University and its personnel;
- Provide all responsible vendors and contractors with equitable access to servicing the needs of the University and its personnel through competitive acquisition of goods and services;
- Comply with all federal and state laws that apply to University purchasing and comply with the policies and procedures outlined in this manual;
- Manage University assets and property so that replacement costs are minimized and the University can account for all assets; and
- Dispose of surplus and salvage property in a manner that is most equitable to the University.

#### ***1.2 Dollar Thresholds***

- Purchases greater than \$1 but less than \$10,000 require (1) faxed, scan/email or written quote.
- Purchases greater than \$10,000 but less than \$50,000 require (3) faxed, scan/email or written quotes.
- Purchases greater than \$50,000 but less than \$100,000 require (3) or more sealed bids placed (Performed by Purchasing).
- Purchases greater than \$100,000 require formal sealed bid/Proposal (RFP).

**(All comparison documents will be maintained in purchasing files.)**

**Note: If cumulative purchases to one vendor per department are anticipated to reach or exceed \$50,000 in a fiscal year, then the seal bid process outlined in (section 10) is required and an annual contract will be established.**

**Threshold Chart - Purchasing Schedule Based on Amount of Purchase/Service**

AMOUNT	BID PROCESS	REVIEW / Approval	PURCHASE ORDER*
\$1 - \$10,000	ONE FAXED, SCAN/EMAIL OR WRITTEN QUOTE	REQUISITIONS REVIEW WITHIN JENZABAR	3-5 DAYS
\$10,000– \$50,000	THREE FAXED, SCAN/EMAIL OR WRITTEN QUOTES	REQUISITIONS REVIEW WITHIN JENZABAR	3-5 DAYS
\$50,000 - \$100,000	3 OR MORE COMPETITIVE BIDS PLACED ON BID FORMS (Performed by Purchasing)	REVIEW OF BIDS BY PURCHASING AND/OR COMMITTEE, TO OCCUR BEFORE REQUISITIONS ARE ENTERED	7-21 DAYS
\$100,000 AND ABOVE	FORMAL SEALED BID/PROPOSAL (RFP)	REVIEW OF BIDS BY PURCHASING AND/OR COMMITTEE, TO OCCUR BEFORE REQUISITIONS ARE ENTERED	MINIMUM 60-90 days

**\*The number of days is dependent upon when purchasing receives approved requisitions through the online system (Jenzabar) and support documentation\***

Bids generally are not required for the following types of services:

- Musical performers, DJ’s, speakers, presenters, sole source

### ***1.3 Authority and Duties of the Purchasing Manager***

- The Purchasing Manager's authority is derived from the Board of Trustees and by delegation of the University President, under the direction of the Vice President/CFO of Business and Finance;
- The Purchasing Manager shall supervise the operations of the Purchasing department;
- The Purchasing Manager shall under the direction of the Vice President/CFO of Business and Finance shall make all purchases of supplies and materials for Dillard University. For purchases not under contract requiring expenditures in excess of \$100,000, formal bids shall be received by the Manager of Purchasing, who shall award the contract to the responsible bidder who submits the most responsive and cost effective bid;
- The Purchasing Manager shall not write or accept specifications, which by design exclude legitimate competitors;
- The Purchasing Manager shall not use brand names unless a disclaimer is included opening the specification to competing brands of equal quality;
- The Purchasing Manager shall have final authority in selecting vendors for preferred status.

### ***1.4 Purchasing Department Functions***

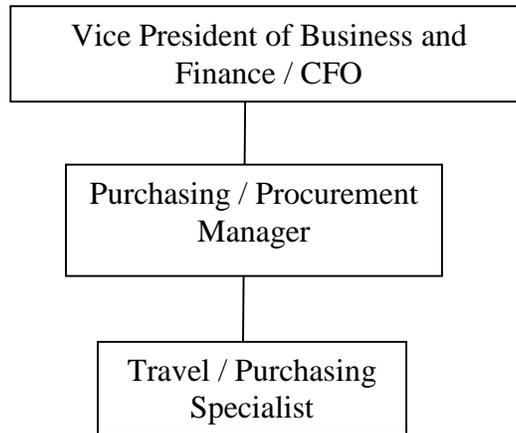
The Purchasing department shall procure all material goods, supplies and equipment, and shall contract for service and repairs to property owned/used by the University, departments and/or employees. **The Purchasing department is the only authorized staff to purchase materials goods and/or contract for services and repairs on behalf of the University. The individual who has not followed purchasing procedures may be held personally and financially responsible for the expenditure.**

#### **The Purchasing department is responsible for the following:**

- Prepare bid or proposal specifications for all materials, supplies, and equipment for the University and shall be responsible for subsequent solicitation and evaluation of formal bids and proposals for any item or items under a contract that would require expenditure in excess of \$100,000;
- Review all purchase requests (**with exception to purchase requests for ITT equipment**) to assure they are descriptive and specific but do not prevent competitive bidding of comparable goods;
- Supervise all purchases made on competitive bids and shall see that all purchased goods are delivered to the proper department in accordance with the purchase contract;
- Establish and maintain relationships with the vendor community that shall serve the best interest of the University;
- Notify the department when a new vendor has been entered into the electronic file;
- Monitor and assure the University is compliance with Federal and State procurement regulations;

### 1.5 *Purchasing Department Organization Chart*

#### *Dillard University Purchasing Department*



## **Section 2.0 Code of Ethics**

---

Purchasing professionals must have a highly developed sense of professional ethics to protect their own and their institution's reputation for fair dealing.

### **2.1 From the National Association of Educational Buyers Code of Ethics (NAEB)**

- Give first consideration to the objectives and policies of my institution;
- Strive to obtain the maximum value for each dollar of expenditure;
- Decline personal gifts or gratuities;
- Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit;
- Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation;
- Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product;
- Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes;
- Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit;
- Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions;

- Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods;
- Foster fair, ethical and legal trade practices;
- Counsel and cooperate with NAEB members and promote a spirit of unity and a keen interest in professional growth among them.

## ***2.2 Conflict of Interest***

No employee of the University shall engage in any activity that in any way conflicts with duties and responsibilities at Dillard University. All employees are expected to use good judgment, adhere to high ethical standards, and avoid situations that create an actual or perceived conflict between their personal interests and those of the University.

Every employee is responsible for disclosing any actual or potential conflicts of interest to the University in accordance with the Disclosure of Conflicts of Interest Policy.

No employee of the University shall engage in any activity that in any way conflicts with duties and responsibilities at Dillard University. All employees are expected to use good judgment, adhere to high ethical standards, and avoid situations that create an actual or perceived conflict between their personal interests and those of the University.

Every employee is responsible for disclosing any actual or potential conflicts of interest to the University in accordance with the Disclosure of Conflicts of Interest Policy.

# **Section 3.0 Vendors**

---

## ***3.1 Preferred Vendors***

The Purchasing department for certain commodities that are widely used shall establish a list of preferred vendors. The purpose of establishing these preferred vendors is to take full advantage of the University's purchasing power to obtain the best possible prices, service levels and ease of ordering over the long term, usually obtained by the bidding process. Preferred vendors should be used whenever possible. **The Purchasing Manager shall have final authority in selecting vendors for preferred status.** University departments are encouraged to nominate vendors for preferred vendor status consideration.

## ***3.2 Establishing New Vendors***

All vendors must be entered into the online system prior to entering the requisition. In order to set up a new vendor, the department wishing to add a vendor must submit a completed vendor registration form, and an up-to date, signed W-9 to the purchasing manager. Vendor information is entered in Jenzabar and copies of the forms are placed in an electronic vendor

file. The Purchasing department shall notify the department when the new vendor has been entered into Jenzabar.

**Failure to complete and submit required documents will prevent processing of requisitions.**

**All vendors should be in good standing with the Louisiana Secretary of State and not suspended or disbarred from the federal government, System for Award Management, for all items procured using federal dollars or under University contract**

This policy ensures equitable treatment of all vendors and promotes efficient fulfillment of departmental needs. While the University attempts in good faith to notify interested parties of current opportunities, the Purchasing department makes no guarantee that all vendors will be included in any or all solicitations.

**3.3 Vendors Credit Applications**

All credit applications from vendors shall be submitted to the Office of Business and Finance/ Purchasing Department for completion.

**3.4 Vendor Contract**

A contract should be executed for all services provided to the University whereas the contractor and/or his employees will be working on campus.

For services where there is a contract in place, the vendor is selected depending on the cost, through the bid review process or may be preselected. (i.e., DJ's speakers/presenters).

Departments should understand and appreciate the nature of purchasing, by reviewing and considering all purchase requests in order to promote competitive bidding.

Vendors should not provide goods or services until a contract is signed and fully executed and the purchase order has been issued.

**3.5 Debarment and Suspension**

The federal government suspends and debar organizations and vendors who have committed fraud or a criminal offense in violation of federal law. As a result, organizations that receive federal funds must establish a procedure to ensure that a potential vendor, subcontractor or sub-recipient has not been either suspended or debarred from participating in any federal award. This section of the procurement policy was developed to ensure that Dillard University is in compliance with federal guidelines and regulations.

When the University enters into a contract with a vendor or sub-recipient, the University must verify that the sub-recipient/vendor is not suspended or debarred or otherwise excluded from participating in any federal award. This verification is accomplished by either checking the System for Award Management (SAM), collecting a certification from the entity, or by including

language in all sub-contracts/vendor agreements requiring those entities to certify that they are not suspended or debarred from participating in federally funded projects.

The eligibility status of any vendor or sub-contractor who is paid \$50,000 or greater in federal funds and all sub-recipients of the University's federal grants will be reviewed by the Purchasing Department prior to approving a purchase requisition. If it is determined that the applicable vendor/sub-contractor/sub-recipient (organization) has been either suspended or debarred, the Purchasing Department will inform the requisitioning department/principal investigator of the related ineligible status and provide the correspondence from the Federal Website that disclosed the suspension/debarment status. The purchase requisition will be disapproved but the Purchasing Department will provide the organization an opportunity to resolve the ineligible status.

**General Procedure:**

1. Procurement personnel will data log the pertinent organization's information into the federal website - <http://www.epls.gov>)
2. Procurement personnel will check on the multiple names link and search for individual names by placing information in the appropriate fields.
3. Procurement personnel will maintain the information obtained from the federal website or certification documents and should be kept in the purchasing file.

**Individual departments shall not authorize new vendor agreements or relationships.**

**Vendor quotes/invoices must be generated by the vendor.  
Departments/Employees cannot generate quotes/invoices for a vendor.**

## **Section 4.0 Procurement Documents**

---

It is important to have a basic understanding of what is meant by “**procurement documents.**” These documents describe the full contractual relationship between the University and a supplier of goods or services.

Procurement documents are:

- **Solicitations** – these are invitations for bid, requests for quotations and requests for proposal. These documents may result in a binding contract.
- **Offers** – these are bids, proposals and quotes made by a business to supply goods or services.
- **Contracts** – these are the final signed agreements between the University and the supplier to buy/sell. Purchase orders are a type of contract. It is legal, binding agreement with intent to make an offer. Filling the order is a vendor's acceptance of

the offer. Vendors should not provide services until the contract/purchase order is signed.

- **Amendments/Change Orders** – these are changes to solicitation documents, offers, purchase orders and contracts.
- **Requisition** - A paper or electronic request form that may be used internally to requisition items from existing warehouse stores or to requisition new items for purchase. The form must typically include an item number and/or description, quantity needed, date required, and location of the individual or department making the request. A supply requisition must typically go through an approval process before being fulfilled.
- **Purchase Order** - (PO) is a commercial document and first official offer issued by a buyer to a seller, indicating types, quantities, and agreed prices for products or services. It is used to control the **purchasing** of products and services from external suppliers.
- **Blanket Purchase Orders** - authorizes the agency to buy goods or services with predetermined terms or conditions. This saves time for both requesters and buyers, since they do not have to seek bids before every purchase. The limits that can be established on the blanket order header are as follows:
  1. **Date** – When the order is limited by a date, the buyer can issue releases for goods or services up to the specified date.
  2. **Quantity** - When the order is limited by a quantity, the buyer can issue releases until the pre-established quantity for a specific item is reached.
  3. **Dollar Amount** - When the order is limited by a dollar amount, the buyer can issue releases for goods or services until the pre-established dollar amount is reached.

Many other documents are created during the process of making a purchase and are kept in the purchase file, but they are not technically “procurement documents.” These other documents include requests (requisitions) by departments/agencies for purchases of items; notes to the file to explain why a particular course of action was chosen; original specifications from the requesting department; final specifications; bidders notified of solicitations; and copies of advertisements.

## Section 5.0 Purchase Orders

---

A purchase order (PO) is required for all purchases. The purchase order is generated once an approved online requisition is submitted for processing.

### *Unauthorized Purchases*

Dillard University recognizes, and pays for, only those purchases that are made via the University-approved purchase order process. An approved purchase order is the only document that authorizes a vendor to deliver and charge the University for equipment, supplies and/or services. Without an authorized approved purchase order, the University will not pay a vendor’s

invoice. The Purchasing department will not process confirming orders, or orders that have been placed prior to our receipt of a purchase order. **The individual who has not followed purchasing procedures may be held personally and financially responsible for the expenditure.**

Once a purchase order is received, no additional items can be added to that order. In the event that changes are necessary, a written change order must be completed and forwarded to the Purchasing department. The change order form must obtain the same approval track signature as online requisition. If, for valid reasons, a purchase order and/or a change order cannot be completed in time for services, a quote, letter of justification, including cost and cost center, must be forwarded to the Purchasing Manager for authorization.

**Attempting to submit unauthorized orders impede the purchasing process, and delay payments for weeks or even months while the paperwork is being approved.**

Dillard University will not be obligated to purchase goods that are delivered for use on a trial basis.

The following purchasing strategies that are made with the intention of circumventing the Purchasing process (formal competitive bidding procedures) are in violation:

- **Component Purchases** – purchasing a series of component parts of goods that normally would be purchased as a whole.
- **Separate Purchases** – purchasing goods and services in a series of separate purchases, which in normal purchasing practices, would have been purchased in one purchase.
- **Sequential Purchases** – purchases made over a period of time that in normal purchasing practices would be made as one purchase.

***Employees shall not purchase goods or services for their own personal benefit.***

#### ***Department Budget***

**Departments must be cognizant of budget balances and refrain from forwarding purchase requisitions to the Purchasing Department that would request expenditures in excess of those balances. Purchase requisitions for which there is not adequate funding will not be processed and therefore, returned.**

## Check Request

A “Check Request” is **only** to be utilized to request payment for costs incurred for the following purposes:

### Authorized Uses for Check Request Payments

1. Vendors who will not accept purchase orders
2. Cash Advances for meals for Du sports team travel
3. Credit Card/Cash Purchases (\$500 or less)
4. Emergency Repairs (i.e., defined as after normal working hours’ procurements necessary to protect the interest of the University).
5. Agency Funds

Any deviations from the noted authorized uses for direct pay without the prior approval of the Office of Business and Finance result in personal liability for the purchase and will be reported to the President’s Office for appropriate disciplinary action.

## Section 6.0 Specifications

---

### *6.1 Purpose*

The purpose of any specification is to provide purchasing personnel with clear guides from which to purchase goods or services and to provide vendors with firm criteria of a minimum standard acceptable in order to be considered for the award.

A good specification has four (4) characteristics:

- It establishes the minimum acceptability of the goods or services;
- It promotes competitive bidding;
- It contains provision for reasonable test and inspection for acceptability of the goods or services; and
- It provides for an equitable award to the most responsive, best bid from a responsible bidder.

### *6.2 Preparation*

Specifications, which shall be the basis of sealed bids or sealed proposals submitted to the Purchasing department, shall be written to allow for competitive bidding. The Purchasing department shall not write or accept specifications, which by design exclude legitimate competitors. Vendors who design the scope of work for a project are not allowed to bid on the project.

The Purchasing department shall not use brand names unless a disclaimer is included opening the specification to competing brands of equal quality.

The user department may propose specifications. Acceptance of these specifications, other than those for construction projects, will rest with the Purchasing Department for compliance with purchasing requirements. The Vice President of Business and Finance is the final authority for approval of specifications. This will ensure proper quality control and avoid the proliferation of conflicting specifications in the different departments of the University. **The Accounting Department can verify for the Purchasing Department that the goods and services were considered and approved in the budget process.**

### ***6.3 Types of Specifications***

There are a number of specification types, which will be employed by the Purchasing Department. They include:

#### ***(a) Design***

A design specification is comprised of a detailed description of goods or services, including such things as details of construction or production, dimensions, chemical composition, physical properties, materials, ingredients and all other details needed for the provider to produce goods and services of minimum acceptability.

#### ***(b) Performance***

A performance specification is one in which the goods or services are described in terms of required performance. They may include such details as required power, strength of material, test methods, and standards of acceptability and recommended practices. This type specification should be used more often for capital equipment.

#### ***(c) Brand Name or Equal***

This type of specification lists goods or services by brand name, model, and other identifying specifics, except that products equal to the characteristics of the named brand are specified as acceptable. Usually the composition of a brand named good or service is provided through labeling, but broader tolerances and less consistency from item to item may be expected as compared with standard goods. Other manufacturers may provide a nearly identical good under their own name. The burden of proof of equality rests with the vendor. Final acceptance rests with the Purchasing department.

#### ***(d) Industry Standard***

This is one of the simplest specifications available. All goods made to an industry standard are identical, regardless of manufacturer and will result in acquisition of goods of uniform quality. An example is the UL standard for electrical products.

## **Section 7.0 Purchases – ITT Equipment**

---

The Information Technology and Telecommunications Department (ITT) will review and approve all purchase requests for computer/computer related equipment. **All IT related items must be approved by the ITT department for compliance before a purchase order is generated.** This procedure is to ensure compatibility and standardization.

Microcomputer equipment, software, and peripheral items will be delivered to the Office of Information Technology by Central Receiving Delivery Personnel. The ITT office will be responsible for all inspection, setup, testing, and delivery of items to the requesting department.

### **Dillard University is exempt from the competitive bid process for all Dell related products.**

The ITT department has primarily purchased PC and some IT related equipment from one vendor in order to maintain consistency and compatibility they provide to Dillard. In the past, Dillard did business with a cacophony of vendors, which led to the acquisition of multiple equipment types, PC's, etc., which were not compatible and created a system maintenance nightmare. In an effort to alleviate the maintenance burden and comply with the "do more with less" mandate, it was decided by University management to purchase PCs and IT related equipment mainly from one vendor. Dell was the chosen vendor based on the company's reputation, quality and reliability of service, the number of years of its business relationship with the University, its willingness to make accommodations to the University's specific equipment needs and the discounts that the company extend.

## **Section 8.0 Purchases Greater than \$1 but not To Exceed \$10,000**

---

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

For purchases of goods and services totaling less than \$10,000, the Purchasing department is authorized to select the goods or services to meet the requests of departments. It is required by the Purchasing department that the requester obtain at least (1) written, scan/email or faxed quote. All documentation for quotes shall be noted and placed in Purchasing file.

## **Section 9.0**

### **Purchases Greater than \$10,000 but not To Exceed \$50,000**

---

#### ***9.1 Purchases Under \$50,000***

For purchases of goods and services totaling more than \$10,000 but less than \$50,000, the Purchasing department is authorized to select the goods or services to meet the requests of departments. It is required by the Purchasing department that the requester obtain at least (3) written, scan/email or faxed quotes. The Purchasing Manager is authorized to select the vendor from one of the quotes and to do all actions necessary to conclude a contract for the purchase of the goods and services. All documentation for quotes shall be noted and placed in Purchasing file.

## **Section 10.0**

### **Purchases Greater than \$50,000 but not To Exceed \$100,000**

---

#### ***10.1 Purchases Under \$100,000***

For purchases of goods and services totaling more than \$50,000 but less than \$100,000, the Purchasing department will prepare a bid form to select the goods or services to meet the requests of departments. It is required of the Purchasing department to obtain at least (3) written bids. The Purchasing Manager is authorized to select the Vendor from one of the bids and to do all actions necessary to conclude a contract for the purchase of the goods and services. All documentation for bids shall be noted and placed in Purchasing file.

#### ***10.2 Considerations***

In selecting the goods or services requested by the departments, the Manager of Purchasing may consider the following:

- The stated needs of the department and whether the selected goods or services meet those needs;
- Available information about sources and prices of the goods and services;
- The delivery requirements of the Vendor and the user department; and
- Any other information that a reasonable and prudent purchasing professional would consider in all circumstances of the purchase; or

- Whenever practical, surplus items from other departments may be transferred to meet departmental needs.

**Note: If cumulative purchases to one vendor per department are anticipated to reach or exceed \$100,000 in a fiscal year, then formal sealed bidding/RFP procedures outlined in (Section 11) are required and an annual contract will be established.**

## **Section 11.0**

### **Formal Sealed Bidding/RFP for Purchases Exceeding \$100,000**

---

#### ***11.1 Purpose of Competitive Bidding***

(a) The purpose of competitive bidding is to ensure that University funds are spent properly, legally and for University projects only, and that the best possible value is received;

(b) Also, competitive bidding gives those qualified and responsible vendors who desire to do business with Dillard University a fair and equitable opportunity to do so. Its purpose is to stimulate competition, prevent favoritism, and secure the best work and materials at the lowest practicable price for the best interest of the University.

#### ***11.2 Competitive Bidding***

“Competitive” bidding requires due advertisement, when necessary, giving opportunity to bid, upon the same terms and conditions involved in all the items and services and parts of the contract, and that the proposal specify as to all bids the same, or substantially similar specifications.”

Formal Sealed Bids/RFP will be used for contracts exceeding \$100,000. The Purchasing department will solicit bids from vendors in response to the University’s specifications and contractual terms and conditions. The returned, signed, and awarded bid and notice of contract award letter will form the contract between Dillard University and the successful bidder.

#### ***11.3 Bidding Notice***

After the development of specifications and preparation of the Notice to Bidders, the Purchasing Department will advertise the bid following these guidelines:

For any project, material, supplies or equipment, a twenty-one (21) day notice beginning the first day of advertisement with a minimum of two (2) advertisements in different weeks of a major medium.

The notice must include:

- The description of the item to be purchased or the service to be provided or a statement of where the specifications may be obtained;
- The time and place for receiving and opening bids and the name and position of the University official or employee to whom the bids are to be sent;

#### *11.4 Addendum*

The bid opening date on the Notice to Bidders may be extended if an error is discovered, or the nature of the goods and services requires an extension. The Purchasing department may amend specifications to clarify the original intent or to correct clerical errors if inquiries about the meaning of the specifications indicate the need for such an amendment; if the changes are so insignificant that they are not likely to matter to the vendor in determining price or ability to respond, if there is no change to the quantity, or delivery requirements; and if the amendment does not change the scope of the specifications. There must be at least five (5) days between the date of the amendment and the opening date specified in the notice.

#### *11.5 Receipt of Bids*

- All bids are submitted to the Office of Business and Finance/Purchasing Department.
- All bids will be stamped with the time and date received. The date stamp clock at the Office of Business and Finance Reception Desk will serve as the official time clock for the purpose of identifying the date and time bids were received in the Purchasing Department. If the date stamp clock is not available, a printed receipt will be issued to the proposer and a copy to be held on file.
- The bids are to be received sealed and placed in a secure place within the Purchasing department for holding and shall remain sealed until opened on the advertised date and time.
- **No bids will be received after the opening time on the day of bid opening.** All bids received after the advertised date and time, will be returned unopened to the bidder with a letter from the Purchasing Manager notifying the bidder that the submitted bid was received after deadline.
- In the event a sealed bid is opened inadvertently, another Purchasing department employee will witness that the details of the bid, especially the price, were not reviewed and the bid was sealed again immediately, and the occasion documented.

#### *11.6 Evaluation of Bids*

The Purchasing Office will evaluate all bids, with the assistance from the user department, and a recommendation about the most responsive, best bid will be made to the user department. The Purchasing Department will evaluate bids based on criteria stated in the bid/proposal document.

The Purchasing department will submit tabulation, evaluation, and award recommendations to the Vice President of Business and Finance for award. When the lowest priced bid is not the best bid, clear justification for not selecting the lowest bid must be documented to the Vice President of Business and Finance

The Vice President of Business and Finance will either approve the recommendation or reject all bids and authorize the Purchasing Manager to re-bid the goods and/or services.

If two responsible bidders submit the most responsive and best bid, the Vice President of Business and Finance shall decide between the two.

### ***11.7 Public Opening of Bids***

The Purchasing Manager will open the sealed bids publicly on the date, time and place specified in the notice. The opening of public bids will be honored in accordance with applicable laws and the source of funding.

**The above process should be undertaken in a manner that will preclude any notion of favoritism, revealing bid prices or information. Having sealed bids publicly received and read should inhibit any perception that the Purchasing department is manipulating the receiving of bids.**

### ***11.8 Contract Award***

The Purchasing Manager shall work with user department to negotiate contract dollar amount. The contract will be routed for approval and execution.

### ***11.9 Contract Administration***

The user department will be responsible for monitoring and documenting contractor performance/compliance. All documentation of non-compliance must be shared with Purchasing. If, after clarification, the vendor complies with expected performance standards, Purchasing will require no further documentation. If poor performance or non-compliance with the contract is evidenced, Purchasing will be responsible to initiate corrective action with the vendor.

The Purchasing department will take necessary steps related to obtaining compliance with the contract before taking any steps toward suspension or termination of the contract.

### ***11.10 Re-bidding of Annual Contracts***

The Purchasing department monitors the expiration dates of all contracts. Purchasing will contact user departments to determine if annual contracts need re-bidding or renewal. The user department will advise Purchasing of any additions, deletions, or corrections.

**In the case of formal competitive bids/proposals, informal bids/proposals, the evaluation of bids/proposals and the selection of vendors shall be purposed to obtain the best value for the money spent. Therefore, the vendor selected will be the bidder who submits the**

**most responsive and best bid. “Best” in this context means that which most completely conforms to specifications and is submitted by a responsible bidder.**

### ***11.11 Bonding Requirement***

If the Manager of Purchasing determines that a performance/bid bond is required for a particular contract, the notice to bidders or request for proposals or offers will state that a performance/bid bond in the full amount of the contract price is required. Said performance bond must be executed by a company authorized to do business in the State of Louisiana, before the contractor commences work and within 30 days after the contract award is sent to the contractor.

#### **(a) Bid Bonds**

Bid bonds will not be required for contracts that are valued at less than \$100,000.

If the Purchasing department determines that a bid bond is required for a particular contract, the notice to bidders or request for proposals or offers will state that a bid bond in the amount of 5% of the contract price is required and that it must be executed by a surety company authorized to do business in the state of Louisiana.

#### **(b) Performance Bonds**

Performance bonds will not be required for contracts that are valued at less than \$100,000. Performance bonds will not be required from any bidder or proponent whose rates are subject to regulation by a state agency.

## **Section 12.0**

### **Sole Source Purchases**

---

Under exceptional and limited circumstances, the procurement of materials, parts, supplies, equipment or services without competition may occur. Sole-Source items require detailed documentation from the vendor to justify their merchandise and to ensure that the cost charged by the vendor is reasonable and customary.

A ***Sole-Source Justification*** letter from vendor must accompany the requisition and is to be used in the following circumstances:

- When a product or service can be obtained from only one vendor;
- When competition is precluded because of the existence of patent rights, copyrights, secret processes, control of raw materials or other such conditions;
- When the procurement is for technical services in connection with the assembly, installation or servicing of equipment of a highly technical or specialized nature;

# **When the procurement is for parts or components to be used as replacements in support of equipment specifically designed by the manufacturer.**

## **Section 13.0 Emergency Purchase**

---

### **13.1 Emergency Orders**

An emergency is defined as a condition that poses an immediate threat to the health, safety, or security of University Faculty, staff or students or which could impede continuous reasonable operation. In an emergency, the goal is to obtain whatever supplier or services needed to alleviate the emergency. Care must be taken to ensure that (1) individual action will not reduce the emergency to an inconvenience and (2) that the assistance of the other University Faculty and staff will not reduce the problem to less than an emergency condition. The Purchasing Department will provide whatever assistance is necessary to expedite purchasing needed materials or services, and will ensure that necessary documentation is obtained as soon as is practical.

All emergency requisitions shall be sent to the Purchasing Department. To avoid any delays, the requisition must be properly prepared; including all appropriate information, appropriate approval signatures, and a brief but appropriate explanation of the nature of the emergency must be attached. The requisition must indicate that it is an "EMERGENCY" at the bottom of the description field.

The requisition must also include a brief, but appropriate explanation of the nature of the emergency. If the requisition is not only an emergency, but is also a sole source purchase, proper written justification concerning the sole source is also necessary from the vendor. Should the value of the emergency request exceed \$10,000 and is not considered sole source, the requestor must complete a Request for Waiver of Competitive Bidding form.

If an emergency occurs after normal business hours, the requester must forward all pertinent information to the Purchasing Department on the immediately following business day. To ensure appropriate invoicing, the Purchasing Department will provide the purchase order number to the vendor once it is issued.

**Please Note: To classify it as an emergency, the VP of Business and Finance/CFO makes the ultimate decision along with the VP responsible for the area and the VP of Facilities in instances related to facilities maintenance.**

### 13.2 After Hours/Emergency

An emergency purchase requires a **letter of justification**, which will become a part of the file. The letter should be signed by the Department Head and must:

- State the reason for the emergency purchase by explaining what the emergency is and/or what caused the emergency situation;
- State the financial or operational damage that will occur if needs are not satisfied immediately (be specific – do not simply say that there will be a loss or some damage); and
- State why the needs were not or could not be anticipated so that items could have been requisitioned through the Purchasing Department following regular procurement procedures.

## Section 14.0 Staff Training

---

Departments must assure and obtain signatures of all employees responsible for making department requests for purchases, acknowledging they have read and understand the purchasing procedures outlined in this manual.

**The Purchasing Manager and Purchasing/Travel Specialist shall attend necessary seminars and training relating to updates of Federal and State procurement regulations.**

**The Purchasing Department shall provide training for all employees at least once a year.**

**New employees must contact the Purchasing Department for training.**

## ***Part II: Purchasing Procedures***

## Section 15.0

### Process for Online Purchase Requisition

---

The department's online purchase requisition authorizes the Purchasing Department to enter into a contract with a vendor in order to purchase goods or services on the user department's behalf once an approved purchase order is generated.

To place an order by online requisition (Jenzabar - My DU), complete requisition form online, attach/upload the support documentation to the requisition and submit for approval. The online requisition is routed to various supervisors for approval. The final approver is the department's accountant in Business and Finance or the Vice President of Business and Finance. Once the requisition has final approval, requisition is routed to the Purchasing Department. Requisition should include:

- Cost Center number
- Date needed;
- Approved electronic signatures;
- Delivery/Ship to address;
- Complete description of items requested, including any specifications and/or part numbers available;
- Quotation number, item/catalog number;
- Potential Vendor's name, address, phone number, and fax number; and
- Total estimated cost;
- Quantity, unit of measure, unit price and extended price;
- Unit of Measure can include:
  - Each
  - Box
  - Month (Mth)
  - Year
  - Can
  - Carton (Ctn)
  - Case
  - Lot

The requisition form is for internal use only and cannot be used by a department to order materials directly from a vendor.

When a requisition is sent to Purchasing, please allow adequate time (See section 1) for orders to be processed. Failure to allow ample time for ordering and delivery can impede the entire purchasing process.

**Support Documentation allowed for Requisitions:**

**Quotations** should include the following:

- Company Name, address, phone number and email address
- Date quote is generated
- If for service related procurement, date of service is required and description of service provided
- For item/material related procurement, quantity, description, unit of measure, cost, and extended cost required
- Expiration date of how long vendor will guarantee cost (keep in mind that the approval track can sometimes be lengthy so try to obtain at least a 60-day expiration from the date generated)
- Tax – Dillard University pays only the 5% local tax and no state tax totaling 5% tax (ask vendor to include the 5% tax on all quotes/invoices).

**Invoice** indicates that services have already occurred. If a vendor wants payment up front before services are rendered, an invoice is appropriate. However, invoice must state this information. **Invoices should include the purchase order number.**

**Contract/agreement** should be signed by all parties. Approved contracts should be entered into the online system as support documentation. Please note that a contract does not authorize payment. Only an invoice can be used as payment. For down payments before services are rendered, vendor must submit invoice noting purchase order number. Down payments/partial payments must be identified within the contract.

**Independent Contractor** should follow the purchasing dollar threshold and for definition of an Independent Contractor please see Independent Contractor policy manual in Legal.

**Stipends:** documentation requires grant budget page, grant award page describing services or letter indicating award of student/s, payment amount, and date of service.

For payment of stipends, documentation should include time sheets or proof that services of the grant were honored and/or completed.

Student stipends should be processed via the online requisition system.

Employee stipends should be processed via payroll check request.

**Honorarium:** Documentation for non-faculty honoraria should include a copy of flyer or announcement of speech, invitation letter to honorarium indicating description of services, date of service/s and dollar amount. Any additional monies to be paid by Dillard University that is not included in dollar amount should be specified i.e., **hotel room, airfare**. All meals and travel expenses will be reimbursed in accordance with Dillard University Travel and Meal Policy unless approved otherwise.

Invitation letter should be signed by Requestor, Department Head, Vice President, and the person receiving the honorarium.

Faculty honorarium must be processed through a payroll check request and should include all the documentation noted above.

Non-Faculty honorarium must be processed through the online requisition system and should include all the documentation noted above.

**Employee reimbursement: require original itemized receipts and must be placed on an employee reimbursement form, obtain required signatures and forward to the respective accountant. The accountant will forward to accounts payable for payment.**

If an employee decides to pay for supplies, etc., upfront then Dillard University will reimburse the employee for the incurred cost **ONLY if preapproved.**

**Do not assume that because personal funds are used to pay for supplies, etc., that the employee will automatically be reimbursed. Reimbursements are limited to budgets and prior approval.**

**The Purchasing department is the only authorized staff to purchase materials goods and/or contract for services and repairs on behalf of the University. The individual who has not followed purchasing procedures may be held personally responsible for the expenditure.**

**Please note: For all vendors providing a service on Dillard University campus must provide liability insurance with coverage no less than one (1) million dollars per occurrence i.e. Construction, Bands, and Entertainment. In some cases, a waiver of equipment is necessary.**

**Purchase requisitions for which there is not adequate funding in Department Budget will not be processed and therefore, not approved or denied**

## **Section 16.0**

### **Process for Purchase Order**

---

After an approved online purchase requisition is received in the Purchasing department, the following procedures are followed:

- The requisition is matched with the uploaded support documentation forwarded by the requestor;
- The Purchasing department determines the appropriate method of procurement based on the cost of the purchase, the goods and/or services to be purchased, any existing contracts for goods and services and other relevant factors at the discretion of the Purchasing Manager.
- After satisfactory pricing has been tabulated and evaluated, the Purchasing department will assign a system generated PO number from Jenzabar to the request. The entire requisition and attachments including quotations/pricing is forwarded to the Manager of Purchasing office for further review and approved signature.
- Purchasing will forward a copy of the purchase order to the requestor and the requestor must forward the purchase order to the vendor for placement of order.
- Once items/services are received by the department, department head should sign the purchase order and forward by email to [purchase@dillard.edu](mailto:purchase@dillard.edu) Signature of the department head or requestor on Purchase Orders indicates that items/services have been received and are approved for processing of payment.
- After receiving the purchase requisition, the Purchasing Manager determines if additional quotes and or bids are required.

## **Section 17.0**

### **Process for Purchases Greater than \$1 but not to Exceed \$10,000**

---

#### **Procedures**

Wherever reasonable and practical, the requestor will:

- Obtain one written or fax price quotation from vendor; however, obtaining more than one vendor quotation would you to compare cost, quality.

- Select the Vendor who makes the best offer, taking into account not only price but also the urgency of the departmental need and the speed of delivery and the quality of the goods and services offered; and
- Order the goods and services from the vendor who provides the quality, cost and delivery schedule most consistent with the best interest of the University.

Then, if quality and delivery terms meet University needs, the vendor who provides the best price will be selected. If the vendor offering the best price is not used, a notation should be made to indicate the reason another vendor was selected.

The Manager of Purchasing has the authority to deviate from the policy for purchases under \$10,000 **if it is in the best interest of Dillard University and will facilitate specific University operations.**

**Note: If cumulative purchases to one vendor per department are anticipated to reach or exceed \$10,000 in a fiscal year, then additional quotations and/or formal bidding procedures outlined in Section 9, 10 or 11 are required and an annual contract will be established.**

## **Section 18.0**

### **Process for Greater than \$10,000**

### **But not to Exceed \$50,000**

---

#### **Procedures**

Wherever reasonable and practical, the requestor will:

- Obtain at least three written or faxed quotes before selecting a vendor;
- Select the vendor who makes the best offer, taking into account not only price but also the urgency of the departmental need and the speed of delivery and the quality of the goods and services offered; and
- Order the goods and services from the vendor who provides the quality, cost and delivery schedule most consistent with the best interest of the University.

Then, if quality and delivery terms meet University needs, the vendor who provides the best price will be selected. If the vendor offering the best price is not used, a notation should be made to indicate the reason another vendor was selected.

The Manager of Purchasing has the authority to deviate from the policy for purchases under \$50,000 **if it is in the best interest of Dillard University and will facilitate specific University operations.**

## **Section 19.0**

### **Process for Greater than \$50,000**

### **But not to Exceed \$100,000**

---

#### **Procedures**

Wherever reasonable and practical, the requestor will:

- Provide Purchasing with detailed specifications about items/services to procure;
- Provide Purchasing with at least two vendors who provide the items/services you require;
- Purchasing will solicit at least three vendors for sealed bids on a formal bid document; (see section 10)
- Purchasing will recommend to the requestor the vendor who makes the best offer, taking into account not only price but also the urgency of the departmental need and the speed of delivery and the quality of the goods and services offered; and
- Once approved by requestor, Purchasing will negotiate cost with vendor, if applicable;
- Purchasing will send notice of award to vendor;
- Requestor will generate a requisition for item related procurement;
- Requestor will generate a contract for service related procurement and route for approval;
- Once contract is approved, requestor will generate a requisition and submit signed/approved contract as documentation for requisition;
- Requisition is routed for approval. Once requisition is approved a purchase order is generated and forwarded to requestor and vendor.
- Requestor has approval to order the goods and/or services from the vendor.

The Purchasing Manager has the authority to deviate from the policy for purchases under \$100,000 **if it is in the best interest of Dillard University and will facilitate specific University operations.**

**Note: If cumulative purchases to one vendor per department are anticipated to reach or exceed \$100,000 in a fiscal year, then sealed formal bidding/RFP procedures outlined in Section 11 are required and an annual contract will be established.**

## **Section 20.0**

### **Formal Sealed Bidding/RFP Process for Purchases over \$100,000**

---

A purchase requisition or specifications are submitted to the Purchasing department and signed by the user department head to initiate the competitive sealed bidding process. A draft of the RFP will be coordinated with the requestor and Purchasing.

The following procedures will be adhered to when receiving bids:

- Purchasing Department will advertise the Notice to Bidders
- All bids will be received in the Office of Business and Finance Purchasing Department and stamped with the time and date received.
- **No bids will be received after the opening time on the day of bid opening.**
- After bids are received, a secure place will be provided in the Purchasing Department for holding of the bids until the bid opening date
- In the event a sealed bid is opened inadvertently, another Purchasing Department employee will witness that the details of the bid, especially the price, were not reviewed and the bid was sealed again immediately, and the occasion documented.
- The Purchasing Office will evaluate all bids along with a selected committee, with the assistance from the user department.
- Best bid will be made to the Vice President of Business and Finance for either approval of the recommendation or reject all bids and authorize the Manager of Purchasing to re-bid the goods and/or services.

***Note: At least sixty (60) to ninety (90) days should be allotted for all formal sealed competitive bids (RFP).***

## Electronic Flow Chart

