

To: University Community

From: Alan D. Robertson
Vice President, Administration and Financial Affairs

Date: December 8, 2006 (2nd Distribution: May 2, 2007)

Subject: CSU Procurement Policy and Procedure

The Office of Financial Affairs is issuing this revised Procurement Policy to decentralize responsibility for small purchases and to define an approval process that will facilitate on-line approvals and the P-Card implementation. The new policies and procedures will be effective on January 1, 2007.

Transaction Amount	CSU Contract Approval (see Note 1)	Legal Review (see Note 2)	Bidding Requirement (see Note 3)	# of Quotes Needed (see Note 4)	Form (see Note 5)	DPV/Purchase Req Approval			
						Fiscal Officer	Chair, Dean, Dir & AVP	Vice Pres	Pres
< \$1,000	Vice Pres	No	No	1	P-Card DPV/Purchase Req	Yes	*	-	-
\$1,000 - \$1,999	Vice Pres	No	No	2	DPV/Purchase Req	Yes	Yes	-	-
\$2,000 - \$4,999	Vice Pres	No	No	-	Purchase Req	Yes	Yes	-	-
\$5,000 - \$9,999	Vice Pres & Pres	Yes	No	-	Purchase Req	Yes	Yes	Yes	-
\$10,000 & up	Vice Pres & Pres	Yes	\$20,000 & up	-	Purchase Req	Yes	-	Yes	Yes
\$250,000 & up	Board	Yes	\$20,000 & up	-	Purchase Req	Yes	-	Yes	Yes

Note 1: All personal services and service agreements require a CSU contract. The new policies and the new short-form contract (Basic Purchasing Agreement) can be used for personal service and contractual services under \$5,000. The multi-part standard purchasing contract should be used for personal and contractual services over \$5,000.

Note 2: All CSU contracts \$5000 or more must be reviewed by the Legal Department.
All Vendor prepared contracts regardless of the dollar amount require the Legal Department's review.

Note 3: Effective July 1, 2006, the new bidding requirement is as follows:
Professional and Artistic Services - \$20,000 and up;
Architectural, Engineers and Land Survey - \$25,000 and up;
Supplies or Services Other Than Professional and Artistic Services - \$30,500 and up;
Construction - \$36,600 and up.

Note 4: Purchases of goods and services \$1,000 and over require written price quotes from vendors as indicated above and should be attached to the Purchase Requisition for processing. The purchase should be transacted with the vendor with the most economic price that meets the needs of the buyer. If an approved CSU vendor is used, a GSA or state contract, no additional quote is required. Exception to the number quotes must be documented in a memo and approved by the appropriate Vice President.

Note 5: A DPV may be used up to \$1,999, but may not be used for equipment and software. A prepayment request for goods and services must be submitted on a purchase requisition, not a Direct Payment Voucher. Please refer to Accounting and Finance Policies and Procedures Manual at <http://www.csu.edu/financialaffairs/pdf/financialaffairspoliciesandprocedures.pdf> for additional information.

Note 6: P-Card purchases must be in compliance with all procurement, allowable expenditure and funding, and tax-related policies as detailed in the Accounting and Finance Policies and Procedures Manual (<http://www.csu.edu/financialaffairs/pdf/financialaffairspoliciesandprocedures.pdf>).

* Counter signature is needed on reimbursements to fiscal officers

