

CSUSB FOUNDATION

Building a Culture of Philanthropy

Date: November 5, 2018
Last Reviewed: June 2, 2016
Adopted: December 6, 2018

PROCUREMENT POLICY

Purpose: The CSUSB Philanthropic Foundation Procurement policy applies to the purchase of materials, equipment, supplies, and services paid from CSUSB Philanthropic Foundation administered funding sources. All purchases using CSUSB Philanthropic Foundation funds must comply with CSUSB Philanthropic Foundation's purchasing policy. These purchasing procedures meet purchasing needs, which satisfy the requirements of federal, state, and independent auditors. Travel and the retention of artists, entertainers, lecturers, caterers and speakers are not subject to the provisions of this policy.

Scope: This policy applies to all individuals who are using CSUSB Philanthropic Foundation funds.

Policy Provisions

1. Purchases shall be made in a manner that supports and facilitates the competitive bidding process and at the lowest cost consistent with quality, specifications, service and product availability.
2. Purchases shall follow what is customary in the market place for a particular commodity or product and be consummated in such a manner to constitute a reasonably prudent documented business transaction.
3. Fitness and quality being equal, recycled products shall be considered for procurement in place of non-recycled products whenever such products are available at no more than the total cost of their non-recycled counterparts.
4. Volume or pool purchases, annual purchase agreement and State-purchasing contracts shall be utilized when deemed advantageous to CSUSB Philanthropic Foundation.
5. Sole source purchases on a non-competitive basis will require written justification and approval by the Executive Director of the CSUSB Philanthropic Foundation. The sole source written justification should include:
 - a) Unique performance factors of the products specified
 - b) Why these factors are required
 - c) What other products have been evaluated and rejected, and why
 - d) Special circumstances requiring immediate action

7. No CSUSB Philanthropic Foundation Board member, employee, or CSU employee by virtue of their position, will personally derive any benefit, gain or receive preferential treatment from the purchase of materials, equipment, supplies or services.
8. Authorized signers failing to follow CSUSB Philanthropic Foundation's purchasing policy and procedures may incur personal liability or financial obligation with the vendor.

Regulations & Guidelines

1. **Under \$10,000** - Purchase requisitions for goods and services under \$10,000 (exclusive of sales tax) do not require a Purchase Order but may be required by the vendor. Purchase requisitions and/or Purchase Orders are generally processed without bids or quotes. It will be assumed that the purchaser from a requesting department/project (buyer) will have already determined the best price and the most qualified vendor. However, if in the CSUSB Philanthropic Foundation's judgment the prices do not seem reasonable, CSUSB Philanthropic Foundation may obtain additional quotes.
2. **\$10,000 to \$50,000** - Purchase requisitions for amounts between \$10,000 and \$50,000 (exclusive of sales tax) require a Purchase Order and a minimum of three price quotations.

Quotes shall be obtained from three vendors in written or electronic format, and include applicable specifications, vendor name, address, telephone number, and total dollar amount. Every effort shall be made to secure quotations and develop sources from small and disabled veteran owned businesses. Documentation should be submitted when a requisition is generated and will be maintained with the purchase documents for audit purposes.

In lieu of obtaining three price quotations a Sole Source/Brand Approval justification may be utilized if applicable to the purchase or if the vendor or subcontractor is named in the awarded sponsored project proposal or budget.

Reasonable price is defined as a price that does not exceed that which would be paid in the conduct of a competitive business. It may be established by market quotes, price or cost analysis. A reasonable price need not be the lowest price available, but is one which offers acceptable value to CSUSB Philanthropic Foundation.

3. **Over \$50,000** – Purchase requisitions over \$50,000 require a Purchase Order and a minimum of three formal bids from providers based on written specifications, which recognize competitive pricing, responsiveness to specifications, and reputation of

vendors. Vendors are allowed approximately 30 calendar days to respond after solicitations to bid have been issued.

Bid requests should include the following information:

- a) Clearly defined delivery terms and conditions
- b) The method or formula for determining the lowest bidder meeting specifications
- c) A reasonable amount of time for bidders to prepare and submit their bid response prior to the bid due date
- d) The closing date and exact time of opening of sealed bids
- e) Notification that bids received after the closing date and time will not be considered

If, after reasonable effort, three bids cannot be obtained, a Sole Source/Brand Approval justification will be required. Additionally, requisitions that limit the bidding to one source and/or brand or trade name must include a written justification, approved by the CSUSB Philanthropic Foundation Executive Director or his/her designee, explaining why the product specified is necessary for the successful completion of the requesting department's functions. If a vendor is providing pricing/quotes in accordance with a current State contract, no additional quotes will be required. The Sole Source/Brand Approval justification should include the following:

- a) The unique performance factors of the product specified
- b) Why these factors are required
- c) What other products have been evaluated, rejected, and why
- d) Special circumstances requiring immediate action

Buyer should consult with their CSUSB Philanthropic Foundation contact to determine the appropriate handling of the formal bid process.

4. **Low Bid Exceptions** – CSUSB Philanthropic Foundation is not required to select the vendor with the lowest quote/bid. CSUSB Philanthropic Foundation can select on criteria determined to be in the best interest of the project. If other than the lowest bid is selected, a justification must be attached to the Purchase Order Request.

Disbursement Check Procedures

A Disbursement Check Request that is used for CSUSB Philanthropic Foundation purchases must follow the procedures as clearly defined below:

- a) Purchases may not be used to circumvent any CSUSB Philanthropic Foundation policies.
- b) Purchases may only be made that are not requiring indemnification clauses, hold harmless forms, or insurance from vendor. If this is the case, a PO and/or agreement or vendor contract must be executed.
- c) Purchaser must provide receipts of all transactions and submit them with a Disbursement Check Request form that is signed by the authorized signer on the project account.