

Purchasing Procedures

General Information

It is the responsibility of the Purchasing Department to convert your requests (requisitions) into purchase orders or contracts using procedures established by Legislative regulations, State law, the CSU Board of Trustees, and the President of California State University, Fresno. A purchase order issued by California State University, Fresno Purchasing Department is the only authority for a Supplier to perform a service or deliver merchandise to the university. Suppliers are required to obtain permission from the Purchasing Office prior to leaving equipment or other items on loan, sending out supplies on approval, or starting services. Purchases not made in the prescribed manner are in direct violation of the Government Code. Such purchases are the responsibility of the individual, not California State University, Fresno. The following actions are commitments of university funds:

1. authorizing a Supplier to provide a service or ship merchandise without an approved purchase order;
2. approving a purchase order, service order, or emergency request; signing any contractual agreement naming California State University, Fresno or its employees, officers, or agents as a party to the agreement including, but not limited to, license agreements, facility rental contracts, memoranda of understandings, maintenance agreements, and order forms;
3. picking up or accepting delivery of merchandise without an approved purchase order. California State University, Fresno faculty and staff are not authorized to commit university funds. Only Purchasing Officers and university administrators authorized in writing by the California State University, Fresno President, have the authority to sign purchase orders, contracts and interagency agreements, or otherwise commit university funds. Please remember that it is illegal to willfully disregard any regulation pertaining to university purchasing authority, State contracting procedures, or bid requirements.

Whom to Contact

People in Procurement and Support Services

Director
Purchasing
Mail Room and Printing
Warehouse
Shipping and Receiving

How to Requisition Supplies and Services

The determination of what transaction document to issue or method to use to procure goods or services is made by the Purchasing Office based on the item requested, type of funding to be used, and the dollar amount involved. Departments are expected to provide at least one suggested Supplier on all orders, and to list current retail prices on their requisitions. If you suggest a Supplier that is not in the Purchasing Office Supplier listing, please be certain that the address is current, including the Zip code, and provide a telephone number, FAX number, and contact person whenever possible.

The Purchasing Office maintains a list of Suppliers and a supply of catalogs for many products and services, along with other resources to assist you in locating a Supplier. Please call us at 278-2111 if you would like assistance in locating a source for goods or services.

On orders of \$1,000 or more, it will expedite your order if you provide a recommendation of three or more Suppliers along with their retail prices (if there is only one Supplier known, you will need to submit a Sole Source Justification with your requisition). If product literature is available, it is helpful to send a copy to Purchasing with your requisition number noted on it. Avoid restrictive specifications whenever possible, for this will allow the Buyer flexibility in considering sources for the bid process.

When preparing your requisition, be certain to include a complete description (quantity, unit of measure, model or catalog number, manufacturer, color, style, etc.). When ordering parts, it is often helpful to include the manufacturer, part number or model number of the unit that the part is to fit. If there are special delivery requirements (e.g., assembly, set up, installation, etc.), this should be noted as a text entry in the body of your requisition.

Providing Procurement with complete and accurate requisitions means that most of your requisitions for less than \$1,000 will be processed into a purchase order within one or two working days. Also, it is usually to a department's advantage to order quantities sufficient for a period consistent with future needs and available storage space. Submitting frequent requisitions for non-perishable items results in increased costs for the department and for Purchasing, as well as additional shipping, packaging, and materials handling costs.

Approval of Requisitions

Some requisitions require additional levels of approval. It is necessary to send your requisition to the departments listed below for additional approvals.

1. All requisitions for electronic data processing (EDP) hardware, software, and peripherals must be approved by University Computing and Communications Services or Academic Resources.
2. All requisitions using Lottery funds require Budget Office approval.

State policy requires the preparation of a memorandum of justification for purchase of any of the following items:

- Communications Equipment
- Copy and Duplicating Equipment
- Fans or Heaters
- Microfilm Equipment
- Vehicles
- All items of a personal user nature

Approval of justifications is not an automatic process. The department's justification must be prepared carefully and completely or it may not meet the necessary criteria to enable the purchase of the item requested. For assistance in the preparation of your justification, please e-mail the appropriate Buyer by clicking on your area of interest.

Types of Purchase Orders

- Purchase and Service Orders
- Contracts
- Emergency Orders
- Equipment
- Furniture
- Invitations to Bid and Requests for Quotations
- Office Supplies
- Printing
- Sole Source Purchases

Purchase and Service Orders

Purchase orders are mailed directly to Suppliers by the Purchasing Office whenever the necessary conditions are met. Each requisition is evaluated based on the product(s) or service(s) being requested and the price. Requisitions that are generally processed into a purchase order immediately, without bidding, are as follows:

1. requests for supplies, services, or equipment that total \$1,000 or less; and
2. supplies ordered from existing State Contracts, State Price Schedules, State Printing, or State Stores.

If you wish to pick the order up from the Supplier, you may indicate such instructions to the Buyer on the requisition. If you want to pick the purchase order up in the Purchasing Office, please give us the name and extension number of the person to call when the purchase order is ready. Departments cannot pick up items from a Supplier without an approved purchase order, and only those items listed on the purchase order can be picked up. No item listed on the purchase order can be back ordered through the Supplier.

Contracts

Contracts may be written for services exceeding \$1,000. Requests for contracts originate from campus departments and often deal with fabrication, repair, construction, special lecturer services, licenses, or rentals. The development of a contract usually entails additional information that must be submitted in addition to the information supplied on the requisition. This might include statements on prevailing wages, fair employment practices, general construction provisions, non-discrimination requirements, bonding requirements, or insurance requirements. The Purchasing Office is responsible for including these statements on your contracts.

The Purchasing Office issues Invitations to Bid based upon the specifications provided by the department. It is imperative that the specifications are detailed and complete, and yet not overly restrictive. If you would like assistance in developing your specifications or have a complex project, please contact the Purchasing Office to schedule a Project Assistance Meeting.

The university is required by law to advertise for its needs in the California State Contracts Register for services of \$5,000 or more. This advertising takes time, so it is imperative that your requisition, with complete specifications, be received in the Purchasing Office at least eight weeks before the required bid opening date.

Emergency Orders

Under extraordinary circumstances, authority to make an emergency purchase may be obtained. Under no circumstance should faculty or staff circumvent University Purchasing procedures by ordering directly from a Supplier without receiving an authorization number from Purchasing. Requisition numbers or bid numbers are never to be given to Suppliers as purchase order numbers.

Call the Purchasing Office 278-2111 and explain the need for an emergency purchase. You will be given the appropriate Buyer and explain the need for an emergency purchase. If approved, you will be given an emergency purchase order number. Emergency purchases up to \$50 may be made through a petty cash account. Check with your supervisor to determine if there is a petty cash account available for your department's use. Rules governing the expenditure of petty cash funds are available from the custodian of your fund.

Campus petty cash funds were established to allow faculty and staff to make small, emergency purchases of less than \$50. The receipt for your purchase must state that cash was tendered in payment. Vouchers submitted to Accounts Payable with receipts indicating that a check, ATM card, or charge card was tendered in payment will be returned. Petty cash may never be used to purchase items that may not be purchased through the Purchasing Office (e.g., food and beverage,

State contract items, etc.). If you have an emergency purchase need that does not conform to one of the above procedures, you must call Purchasing at extension 8-2111 for assistance. Failure to obtain prior approval for emergency purchases may result in your personal liability for the expenditure.

Equipment

University property is classified as either expendable or non-expendable. Expendable property consists of expendable tools, equipment costing less than \$300, or materials and supplies. These items are normally purchased using the 4500 budget subcode.

Non-expendable property consists of land, improvements, intangible assets such as patents or copyrights, and equipment. Equipment valued at \$300 or more is purchased using the 7770 or 7800 budget subcodes.

Equipment is defined as movable articles of non-expendable property which have all the following characteristics:

1. a normal useful life (including extended life due to repairs) of two years or more;
2. an identity that does not change with use (i.e., not consumed by use or converted by fabrication into some other form of property); and
3. a nature that makes formal property accounting practical.

There are several exceptions, so if you have any doubts about the proper classification of a purchase request, please call Purchasing at 278-2111 or the Property Supervisor at 278-5021.

When requesting equipment, please note the following:

1. specify a delivery date;
2. request any operating or maintenance manuals required;
3. request training for faculty or staff if required;
4. consider any need for furniture that the new equipment might create; and
5. spell out any installation requirements.

Furniture

State agencies, including California State University, Fresno, are required to purchase furniture and some other items through the California Prison Industry Authority (PIA). The PIA is an agency within the State that operates as a training facility for prisoner rehabilitation purposes. A wide range of trades are taught, resulting in the production of numerous items that are then sold.

A catalog of the PIA product line is available in the Purchasing Office. Please call 278-2111 for assistance with your furniture purchases.

Another source of furniture for departments on the California State University, Fresno campus is surplus furniture stored in the campus warehouse. Departments are welcome to come to the warehouse and inspect whatever surplus furniture is currently stored there. It is best to first call the Property Supervisor at extension 8-5021 to make arrangements for your inspection.

Invitations to Bid and Requests for Quotations

It is California State University, Fresno Purchasing Policy to solicit competitive price quotes for supplies, equipment, and services whenever the total cost of a requisition is in excess of \$1,000. When a requisition is received for an amount between \$1,000 and \$10,000, an informal Request for Quotations is solicited. Whenever possible, the Purchasing Office will use telephone or FAX to obtain or verify quotations from a minimum of three Suppliers in order to expedite your request.

A formal Invitation to Bid must be solicited for requisitions totaling \$10,000 and over. State regulations prohibit telephone or FAX quotations for requisitions totaling over \$10,000. The average processing of a requisition requiring a formal Invitation to Bid is six to eight weeks before a purchase order is issued.

The average processing of a requisition requiring informal competitive price quotes is two weeks before a purchase order is issued. Adequate time must be allowed by the requestor for the bid, evaluation, award, and delivery of the purchase order. Because many different Suppliers can usually bid on the same item, the descriptions and specifications provided by the department are very important. Should a specific item be only available from a single supplier, it will be necessary for you to submit a Sole Source Justification with your requisition.

The Accounting Office will encumber the dollar amount of the requisition as an estimated cost. This amount will be adjusted when the actual purchase order is issued. It is important that you make an accurate estimate of costs so that funds are not needlessly encumbered in your account.

Splitting of a requisition or purchase order into a series of two or more to avoid bidding requirements is prohibited under any circumstance. The Purchasing Office must process all expenditures of university funds for the purchase of goods or services. Faculty or staff ordering merchandise or services through any other means may be personally responsible for the cost of the goods or services ordered.

Office Supplies

The Stockless Office Supply system allows campus offices and designated employees the opportunity to order their office supplies directly from a supplier and have that order delivered to their office by the supplier. You can do this by mail and/or fax machine, but most importantly, offices hooked up to the main campus computer system can access the supplier via their office computer.

Departments can order exactly what they want from the suppliers catalog. Contract prices have been established that are 35 to 55 percent off the manufacturers nationally suggested retail price.

You will find that prices for your office supplies are extremely competitive with any other source available to you and that the quality is excellent.

Stock Requisitions

Effective October 1998, Stock Requisition forms are to be sent directly to the University Warehouse (M/S UW127) rather than Procurement and Support Services. Stock catalogs can be obtained from the Warehouse. If you have inquiries regarding Stock items, please contact Don Farris, Manager of Warehouse & Property Services at 278-2139.

Printing

All off-campus printing requests must have prior approval. Almost all printing needs can be met by the California State University, Fresno Reprographics Shop. If a special printing need cannot be met by California State University, Fresno Reprographics, than an off-campus Supplier can be used, with prior approval, for amounts up to \$3,000.

Any printing and/or typesetting order in excess of \$3,000 must be performed by the Office of the State Printer (OSP) or under an OSP exemption number. Almost all off-campus printing or typesetting must be bid, so it is essential to plan your printing needs well in advance, to allow time for processing.

Please contact the Reprographics staff at 278-2740 to discuss your printing needs. If you will need an off-campus printing Supplier or plan to seek an OSP exemption, please contact the Purchasing Office at 278-2111 for assistance.

Sole Source Purchases

There are three types of sole source purchases:

1. a sole brand would be used if a specific item is needed which more than one Supplier could provide (it will be bid);

2. a sole source might be used when only one Supplier can provide the item requested; or
3. a contract sole source would be used if no other contractor can provide the needed service.

The following is a partial list of possible justifications for a sole source purchase:

1. the item requested is part of a system already in use and other brands will not work with the existing system;
2. only a particular brand or make will be compatible with existing equipment or inventory already located in the department;
3. there is only one known source for a specialized piece of equipment or material; or
4. there is only one contractor capable of providing the needed service.

If you believe that your situation fits one of these cases, then call us at 278-2111 and request forms for sole source justification. Your request must include a clear statement of the unique performance factors of the product or Supplier specified, why those unique factors are required, and what other products or Suppliers were evaluated and the reasons for rejection. State law requires that California State University, Fresno obtain competitive prices and not restrict competition unless it has substantial justification to do so.

Amendments to Purchase Orders

Alteration to any open purchase orders (current or prior years) are initiated by completing an Alteration Form. If you do not have a set of instructions, or if you need assistance with a particular amendment, please call the Purchasing Office at 278-2111.

State Contracts and State Price Schedules

The Contract Section of the Department of General Services negotiates annual State Contracts and Price Schedules with various Suppliers. Certain supplies and equipment (e.g., chemicals, drugs, hardware, office machines, and athletic supplies) are on these contracts.

A listing of State Contracts and Price Schedules is available through the California State University, Fresno Purchasing Office. They are a convenient source for general interest items, the terms of purchase are clearly outlined, and the prices are highly competitive.

When requesting supplies from a State Contract or Price Schedule, be certain to include the Contract or Schedule number on your requisition. Please call us at 278-2111 if you have any questions concerning this type of purchase.

Receiving/Packing Slips

California State University, Fresno Central Receiving is responsible for receiving all items that are to be delivered to departments through Central Receiving.

It is the responsibility of departments to notify Central Receiving for all items delivered to them by any entity other than California State University, Fresno Central Receiving. Goods might be delivered directly to the department by the Supplier, or they could arrive via US Mail, Federal Express, etc., or the goods might be picked up directly from the Supplier by faculty or staff.

You should include the purchase order number, the date the order was received, what items were received, whether the order is complete or has items backordered or shipped separately, and the signature of the person responsible for receipt of the order. No special form is required so long as your report contains all of this information. Most often, the receiving copy of the purchase order or the packing slip from the Supplier can be used.

Alteration/Return Goods

Sometimes departments receive a package that does not contain what they ordered, that is damaged, or that is a duplicate of an order already received. Sometimes problems develop after an order is issued and the material is received, and the department no longer wants the merchandise. In all these cases, the department would complete a Merchandise Return. Mail the completed document to the Purchasing Office. Attach a copy to the package. Be certain that all paperwork that was received is in the package.

California State University, Fresno Receiving will pick up the package to be returned from the requesting department. **DO NOT RETURN THE PACKAGE VIA CAMPUS MAIL.**
