(A) Policy statement

The University has established this policy to guide its procurement of goods, services, and capital equipment. This policy is intended to follow the procurement guidelines of the Ohio Revised Code, the Ohio Administrative Code, Ohio Ethics Law, and the University of Toledo’s Board of Trustees Resolutions.

All individuals authorized to conduct purchasing activities must adhere to the procedures as defined in the University’s Procurement and Purchasing Card (P-Card) Manuals.

(B) Purpose of policy

The purpose of this policy is to ensure that the University makes procurement decisions and payments in an open and fair manner. The University is held to a high degree of public scrutiny and accountability for its business practices and therefore every reasonable effort must be made to ensure that funds are used responsibly and in a manner consistent with the university’s mission, applicable laws, and ethical practices.

(C) Guidelines

Authorization to procure goods or services must be obtained by a person having signatory fiscal responsibility for each department (subject to approved dollar thresholds) before University funds can be committed. Funding (single or split) must be available prior to making the purchase.

Purchases made with grant or outside sponsored funding must be allowable per the agreement and will follow the most restrictive of the University’s policy or the individual grant guidelines, policies, or procedures of the sponsoring agency. Subcontracts, grants, outside sponsored projects, and consultant agreements must be prepared and approved by the Office of Research based on the policies and procedures as described in the Office of Research and Sponsored Projects Policy Manual.
(1) Purchases under $5000 (i.e. $4,999.99 and below including freight and handling) for non-capital goods and services

(a) For Direct Pay and Purchase Orders, the purchase will require a requestor and a manager, principal investigator (PI), or director having departmental budgetary responsibility, or their designee. E-business and p-card options receive their secondary signature at the time of user set up.

An additional exception will be items stocked in inventory that supports UTMC, athletics, or clinics that do not route for additional approval.

(b) Departments have several procurement methods, listed below in order of preference, in which to secure their buy:

(i) E-business websites as defined by the purchasing services department website.

(ii) P-Card is required for those transactions where the P-Card is accepted. Certain exclusions may apply as outlined in the P-Card Manual.

(iii) Direct Pay for a limited number of purchases as defined in the Procurement Manual where a direct pay may be used.

(iv) When E-business, the P-Card, or direct pay is not an option, departments must use a University issued purchase order.

(2) Purchases of $5000 to $49,999 for capital equipment and goods, purchases of $5000 to $74,999 for services, and construction projects less than $200,000;

(a) The purchase will require a requestor and a manager, PI, or director having departmental budgetary responsibility, or their designee.

(i) Direct Pay for a limited number of purchases as defined in the Procurement Manual where a direct pay may be used.

(ii) For all other purchases, a University issued purchase order is required.

(b) Competitive quotations (at least three (3)) should be obtained for any purchase under the bid threshold limits where a contract price does not presently exist.

(c) Purchasing reserves the right to conduct a formal bidding event in this category whenever it would best serve the interests of the University.
(3) Competitive Bid Thresholds

(a) For purchases of capital equipment and goods valued greater than $50,000 or services valued greater than $75,000 from a single supplier annually, a Request for Proposal (RFP) is required to be administered by the purchasing services department.

Exceptions to the RFP requirement are:
- Maintenance contracts purchased from the manufacturer or authorized dealer/supplier of specific equipment to be serviced,
- Software/hardware for system upgrades, ongoing maintenance and support on existing systems already in use
- Purchases made from group purchasing organizations the University participates in where the contracts have been established via a competitive bidding event, and
- Purchases as defined by the competitive bid waiver process

(b) The purchase will require a requestor, and a manager, PI, or director having departmental budgetary responsibility, or their designee, and an associate vice-president, vice president, associate dean, or dean having departmental or divisional budgetary responsibility.

(c) The department must consult with purchasing services prior to the purchase.

(4) Competitive bid waiver requests

(a) Presidential approval is required for purchases within this category.

(b) Request for a competitive bid waiver must be validated by the purchasing services department prior to approval by the president.

(5) Purchases greater than $500,000

a. The board of trustees of the University of Toledo is required to approve all operating or equipment capital purchases, contracts or expenditures in excess of $500,000 or with a term of more than five years and exceeding $500,000. (Exceptions: expenditures that are part of the annually approved operating and capital equipment budgets or contracts that utilize funds as provided by a granting agency and The University of Toledo’s contribution is $500,000 or less.)
(D) Supplier diversity

The University has a goal consistent with the State of Ohio legislative mandate to procure a percentage of its eligible goods and services annual spend from State Certified Minority Business Enterprises (MBE) and/or Encouraging Diversity, Growth and Equity (EDGE) suppliers.

The President is directing departments to actively increase the participation percentage of minority spend for all dollar levels of procurement activity.

As such, all departments are responsible for including minority suppliers in bidding/quoting opportunities where reasonable.

(E) Violations

Any person who violates this policy by making an unauthorized purchase through the use of the University's name and funds will be personally liable for that purchase and may result in progressive disciplinary actions up to and including termination.

(F) Related Resources

The following websites provide links to the reference documents and details on the process steps to follow:

http://www.utoledo.edu/depts/purchasing/
http://www.utoledo.edu/research/

Policies Superseded by This Policy:
• Former 3364-40-15, effective date December 1, 2010

Initial effective date: December 1, 2010
Review/Revision Date: December 10, 2012
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