



UNIVERSITY OF OREGON

**University of Oregon**

**Procurement and Contracting Policy**

**Procurement Card and other payment methods**



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## **Expenditures must be in furtherance of University business:**

- We strive for excellence in teaching, research, artistic expression, and the generation, dissemination, preservation, and application of knowledge. We are devoted to educating the whole person, and to fostering the next generation of transformational leaders and informed participants in the global community. Through these pursuits, we enhance the social, cultural, physical, and economic wellbeing of our students, Oregon, the nation, and the world.

(University of Oregon Mission Statement, Purpose)

## **Expenditures subject to Purchasing and Contracting Services Policy:**

- Procurement and Contracting Services (PCS) Policy is to facilitate the procurement of goods and services necessary to support the University's core business functions, deliver value, and do so in accordance with applicable Federal and State Laws, and University Policies.

(University of Oregon PCS Policy Statement)

## **Under \$25,000 – Direct Procurement:**

- A department may, without competition, procure goods or services directly from a single vendor if the amount of the procurement does not exceed \$25,000 for the total value of the item or services in question and if the department determines the contract price is fair and reasonable.

(UO Policy 580.062)

## **\$25,001 to \$150,000 – Informal Procurement:**

- For expenditures over \$25,000 and up to \$150,000, an informal procurement process is employed. As part of this process, UO must post an advertisement on the UO procurement website for a reasonable time sufficient to obtain at least 3 quotes. Once these requirements are met, the department may select the vendor that provides the best value in the department's discretion.

(UO Policy 580.062)

## **\$150,001 and up – Formal Procurement:**

- For expenditures greater than \$150,000, a formal procurement process is employed. Departments are encouraged to contact PCS as early as possible for formal procurement assistance.

(UO Policy 580.062)

## Procurement competitive bid process exceptions:

- **Emergency** - The UO President or Vice President for Finance and Administration may declare an Emergency allowing the University to employ direct procurement.
- **Sole Source** - If a department believes the goods or services it needs to purchase are only available from a single seller, the department may request that PCS approve the use of a sole source process for the procurement. The request to PCS must include documentation of the proposed procurement and the basis for determining that the goods or services are available only from a single seller.
- **Special Entity** - UO may enter into contracts without using a competitive process when contracting with a federal, state, or local governmental entity, or a state Qualified Rehabilitation Facility certified by the Oregon Department of Human Services or the Oregon State Procurement Office.
- **Special Category** - UO may enter into contracts for expenditure categories specifically exempted. A partial list includes, but not limited to; educational services, advertising, price-regulated goods, goods and services under federal contracts, copyrighted materials, investment contracts and retirement plan services, goods or services related to intercollegiate athletic programs, artists, performers, photographers, website design, speakers, and dues and membership fees.

# Contract / Agreement Types and Amounts Delegated to University Departments

Type of Contract	Amount Delegated To Department*
• Purchase Orders (PO)	< \$25,000
• Personal Services Contracts (PSC)	< \$25,000
• Facility Use Agreement (FUA)	< \$25,000
• Incoming Property Loan Agreement	< \$25,000
• Equipment Lease Agreement	None
• Trade Services Agreement	None
• Custom Contracts	None
• Master Contract / Price Agreement	None

Any matter outside of the department's authority must be handled by Purchasing and Contracting Services

\* A "department" is granted authority to purchase an item or service so long as the following three conditions are met:

- (1) those who sign the contract have actual contracting authority or authority delegated from PCS; and
- (2) the vendor has agreed to be subject to the University's standard terms and conditions for contracts of this type; and
- (3) the appropriate budget authority has approved the purchase cost.

## Payment methods:

Assuming that a proposed expenditure is in furtherance of University business and in conformance with PCS Policy as stated and required, the payment method can be selected at the discretion of the Department as to what makes most sense given the business at hand.

1. Check
2. Wire Transfer
3. Direct deposit / e-Payment
4. Procurement Card - University of Oregon PCard

# Transparency and Governance:

**Business transaction and payment systems require a means of Transparency so that what is being purchased by whom can be known along with a means of Governance to ensure that the purchases have been done in conformance with Policy.**

The monthly PCard statement reconciliation process serves this purpose for PCard transactions as detailed below:

1. Department Card Custodian or designate reviews statement vs. receipts to verify that the purchases shown on statement are correct. If error or fraud is found, contact PCS PCard program administration at [PCard@UOregon.edu](mailto:PCard@UOregon.edu) or 541-346-2419.
2. Department Card Custodian signs off as Level 1 Approver to verify that the charges shown on the statement are correct and the amounts are supported by the attached receipts.
3. Department Budget Authority reviews and signs off as Level 2 Approver to verify that the PCard purchases shown are in conformance with PCS Policy.

If / when non-conformances are found, they must be categorized into one of two types: (1) Unintentional non-conforming purchases; and (2) intentional misconduct. Non-conforming purchases (unintentional errors) should be dealt with by noting the improper purchase in a log along with the corrective action taken with the employee who made the non-conforming purchase so that they understand correct procedure going forward. Intentional misconduct must be dealt with in accordance with the University's policies and procedures on employee discipline for financial misconduct up to and including termination of employment and criminal prosecution if warranted.

4. UO Internal Audit and / or PCS will review Pcard reconciliation statements for cause or random to ensure overall compliance to stated PCS Policy.