

University Policy on Purchasing, Sales and Disposal of University Property and Inventory Control

Applicability	All
Last Revised	October 3, 2008
Policy Owner	Brad Leigh
Governing Body	ORC
SAS 112 Applic.	No

Number	TBD
<small>(numbers will be assigned by Internal Audit & Advisory Services until further notice)</small>	

INTRODUCTION: The purpose of this policy is to ensure the proper administration of the University's purchasing and inventory disposal activities.

POLICY:

I. General Opening Statement

Bowling Green State University shall conduct its procurement activities in an efficient and cost-effective manner that supports the mission of the University while maintaining compliance with applicable state and federal laws and regulations. All University procurement activities shall be administered through the Division of Finance and Administration and will be conducted in a manner that is compliant with the University Purchasing Manual and best practices.

II. Competitive Bidding will be required in the following circumstances:

- A.** The purchase or lease of any equipment, material and supplies when the cost is \$25,000 or greater;
The procurement of services when the cost is \$50,000 or greater;
Construction contracts when the cost is \$50,000 or greater;

Competitive quotations may also be solicited for purchases below the established competitive bidding limits whenever it would best serve the interests of the University.

- B.** Any purchase or lease of any material, equipment, supplies, or services subject to competitive bidding shall be advertised in a way that is determined to be in the University's best interests.

III. Waiver of Competitive Bidding:

The Purchasing Department has the authority to waive competitive bidding when the following requirements are met:

- Sole source vendor – as determined by the responsible purchasing officer, and approved by the Vice President of Finance and Administration (VPFA) or in the absence of the VPFA, by the University's President.
- Emergency situation requiring such action – as determined by the President, Vice President of Finance and Administration, or his/her designee.

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- Need to utilize an existing vendor or to maintain consistency of good/product where changing vendors or utilizing different brands would result in additional cost, or result in incurring unnecessary or excess costs to facilitate a change – as approved by the responsible purchasing officer based on satisfactory supporting documentation.
- Existing State of Ohio contracts, Inter-University Council contracts, Bowling Green State University contracts or other institutional memberships extending pricing to the University are utilized as a source for the established price.

IV. Vendors and Related Ethical/Legal Issues

Bowling Green State University recognizes the importance of having strong, mutually rewarding relationships with the vendors with whom it does business. The University seeks to maintain and improve these relationships by treating vendors in a fair and equitable manner. Individuals authorized to place purchase orders with vendors on behalf of the University shall do so in accordance with the BGSU Code of Ethics Policy and shall not allow relationships with these vendors and/or their employees to influence the award.

V. Buy Ohio

The University shall give preference in its purchasing activities to products that are produced or mined in Ohio and to bidders that qualify as having a significant Ohio economic presence in accordance with Ohio Revised Code §125.11(B). This requirement may be waived when compliance would result in the University paying an excessive price for the product or acquiring a disproportionately inferior product.

VI. Buy America

Chapter 125.11 (B) of the Ohio Revised Code stipulates that state agencies and public colleges or universities shall give preference in their purchasing activities to products produced, mined, or manufactured in the United States.

VII. Equal Employment Opportunity Requirement

Bowling Green State University requires that a supplier in bidding and/or filling a purchase order agrees not to discriminate against any employee or applicant for employment with respect to tenure, terms, conditions, or privileges of employment, or any matter directly related to employment, because of ethnicity/race, religion, color, gender, sexual orientation, age, veterans and persons with disabilities, or national origin. The supplier also must agree that every subcontract shall contain a provision requiring nondiscrimination in employment.

VIII. Minority Business

The University shall seek to set aside a specified percentage of its estimated value of all purchases per year for competition by certified minority business enterprises in accordance with Ohio Revised Code § 125.081.

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IX. Inventory Control and the Sale or Disposal of University Equipment

- A. Equipment purchased with University funds, or held and identified as an asset of the University, shall be subject to University inventory control procedures. All equipment with a value in excess of \$3,500 (capitalization threshold) with a life expectancy of more than one year must be tagged and assigned an inventory control number. Each department head is responsible for such equipment and shall perform a physical equipment inventory every two years in order for the University to maintain compliance with applicable federal and state regulations.
- B. The Materials Handling Department, working with the Controller's Office, has responsibility for the sale or disposal of property by one of the following methods:
1. Redistribution within the University community;
 2. An advertised public auction with the property being sold to the highest bidder;
 3. Pursuant to competitive bidding procedures with the award being made to the highest bidder;
 4. An advertised public sale with the property having a price assigned to each item and sold to the public at a stipulated time and place; or
 5. Property may be disposed of in ways determined to be the most economical for the University.
- C. No employee of the University who has participated in the following:
- Determination to dispose of property, preparation of property for sale, determination of the method of sale, or who has acquired information not otherwise available to the general public regarding usage, condition, quality or value of property may then bid on or purchase any property offered for sale by the University.
 - To qualify as a purchaser of such property, an employee of the University may be asked to certify in writing that he/she has not participated in any of the activities or acquired information as specified herein above.

X. Personal Purchases

No personal purchases are permitted to be made, either via the purchase order system, a check request, the University's purchasing card or other institutional purchasing methodology. In addition, no employee may use the University's name or present him/herself as an agent of the University when making personal purchases.