



The policies of the Associated Students Incorporated are in compliance with the regulations of California State Polytechnic University, Pomona, the CSU Chancellor and the CSU Board of Trustees as well as all applicable state and federal laws.

Department: Financial Services

Policy Category: Financial Management

Subject: PROCUREMENT POLICY

Objective: The Procurement Policy is intended to guide the conduct of Associated Students Incorporated (ASI) employees and agents who engage in the purchase of goods and services in support of ASI's programs, activities and services.

Legal Basis: Title IX - Education Amendment of 1972

Title IX of the Education Amendments of 1972 protects individuals from discrimination based on sex in education programs and activities that receive federal financial assistance. ASI subscribes to Title IX and is committed to upholding its regulations. The California State University (CSU) system has issued executive orders to uphold the prohibition of discrimination, harassment, and retaliation, including sexual violence, domestic violence, dating violence, and stalking. Every ASI employee conducting business with an off-campus vendor, organization, agency, contractor or person will inform these parties that as a condition of doing business with ASI, compliance with Title IX and CSU regulations is expected.

Conflict of Interest

In order to protect employees of ASI from charges of conflict of interest, purchases shall not be made from an organization in which an employee or officer of ASI has an economic interest, either direct or indirect. Such purchases may have the appearance of wrongdoing and should be avoided.

Green Campus

The ASI encourages all buyers of goods and services to address global warming and environmental concerns by highly encouraging purchasing decisions and practices that foster sustainability. Whenever possible, the ASI also encourages all buyers to consider the virtues of Reduction, Reuse and Recycling as an alternative before purchasing new goods and/or services.

Accessible Technology Initiative

The CSU Accessible Technology Initiative (ATI) is intended to ensure that all electronic and information technology products meet recognized accessibility and usability standards. ATI includes websites, web applications, telecommunication products, video and multimedia products, software, operating systems, self-contained, closed products, desktop and portable

computers. All purchases included in the above list are required to be approved by the University Chief Information Officer/designee.

Policy Statement

It is the policy of ASI to procure only those items that are required to perform its mission and/or fill a bona fide need. Procurement shall be made with complete impartiality based strictly on the merits of supplier proposals and applicable related considerations such as quality of product or service, quantity needed, ability to meet specifications and timelines, sustainability and compliance with applicable insurance requirements. The Director of Financial Services is responsible for overall administration of ASI's procurement program and its compliance with campus and system-wide policies. All employees, volunteers, and grant recipients engaged in soliciting, pricing, negotiating, awarding and monitoring vendors, suppliers and contractors must observe these written policies and procedures.

I. PURCHASE ORDER

A purchase order (PO) is a legal binding contract between ASI and a vendor. PO's are widely accepted in the business community. It verifies that funds are encumbered (set aside) from an appropriate account to pay the vendor once the goods and/or services have been adequately provided.

While not all vendors accept PO's and some vendors are willing to provide goods or services without a PO, it is highly recommended that all clubs and organizations always utilize a PO for their Agency accounts and encourage the vendor to accept it. This ensures that funds will be available to cover the vendor's invoice. All PO's are generally processed within 24 business hours and handled as requested. After the goods have been delivered or services have been rendered, a Disbursement Request (DR) with an original invoice is to be submitted to Financial Services for payment against the PO. Payment will not be made without an original invoice.

A PO is required for:

1. Purchases which cost \$5,000 or more, not including tax, for the following funds:
 - a. ASI
 - b. Instructionally Related Activities (IRA)
 - c. Bronco Student Center (BSC)

2. All purchases made from the University or Cal Poly Pomona Foundation for:
 - a. ASI
 - b. IRA
 - c. BSC
 - d. Agency Accounts

A PO is not required when a vendor, performer or artist is contracted for their services. ASI's performance contracts represent a legal and binding agreement that can be offered to the vendor/performer/artist as a promise to pay. A PO may still be used to encumber the funds to pay the contract.

II. CONTRACTS FOR PERFORMERS, VENDORS AND ARTISTS

ASI has approved contract templates to be used for vendors, artists and performers that provide a service. The contract outlines specific terms, liability and insurance requirements, and other expectations of the performer/vendor/artist. The contract templates are reviewed annually to ensure the terms meet current CSU and ASI policies.

Contracts are legally binding agreements and as such, must be signed only by the ASI Executive Director or staff who have been granted the authority to do so by the ASI Executive Director. ASI contract templates may not be used by clubs or University departments because the specific language is binding only for ASI and the contracted vendor/performer/artist. Student clubs are legal entities under the University through the registration and recognition process, even though their accounts are managed by ASI.

III. DISBURSEMENT REQUEST

A Disbursement Request (DR) is used to request a payment check. A DR is required to issue payment on a PO for which the goods have been received or services have been rendered. The DR shall be completed in full and signed by two authorized signors for the expense account to be charged. Supporting documentation for the expense shall be attached to the DR upon submission to Financial Services.

A DR may also be used to request a check to be cut for a performer, vendor or artist prior to their performance. It is common for performers, vendors and artists to expect payment on the day of the service/performance, as detailed in the terms of the contract. The DR shall be submitted along with the fully executed contract and any supporting documents (W-9 form, proof of insurance, additional insured endorsement, etc.) to Financial Services prior to the performance or date of service. The printed check will then be held by Financial Services or the department staff until the day of the event where it will be given to the vendor, performer, or artist after they have completed the contracted services.

IV. COMPETITIVE BIDS

A competitive bid is required for ASI, IRA, and BSC purchases in the following circumstances:

1. Individual item, combination of like items or type of service which costs \$5,000 or more (for IT) and \$10,000 or more (for non-IT) but less than \$50,000 not including tax
 - a. A purchase of this type shall be justified by providing written quotations from a minimum of three vendors
 - b. Acceptable written quotations:
 - i. An email from the vendor which includes a breakdown of charges by item as well as the total
 - ii. An official vendor quote
 - iii. A quote generated from a vendor quoting system on a vendor's website
2. Individual item or type of service which costs \$50,000 or more
 - a. A purchase of this type shall be justified by completing a formal bid process requiring the use of a request for proposal (RFP)
 - b. Request for Proposal (RFP) must:

- i. Have at least three participating vendors
- ii. Describe the materials, services, or equipment in consideration and the solution or benefit obtained from the acquisition.
- iii. Outline criteria used to evaluate proposals

The evaluation of quotations shall be the responsibility of the department or organization initiating the purchase. Quotations shall be evaluated to determine the lowest reasonable bids that meet ASI's requirements.

Competitive bids are not required for performers or artists and sole source vendors and service provide.

V. SOLE-SOURCING

A requisition that limits the bidding to one source and/or brand or trade name must be completed on a sole-source memo that includes a written justification as to why the product/service specified must be purchased from that particular vendor. The sole-source memo must be approved by the ASI Executive Director/designee.

1. Original sole source documentation shall be maintained in the Financial Services office.
2. Current insurance, if applicable, must be kept with the sole source documentation at the Financial Services office. It is the responsibility of the department which submitted the sole source request to provide updated insurance certificates.
3. An approved vendor shall be used as a sole source until the end of the current fiscal year in which it was authorized. At the beginning of each fiscal year, July 1st, a new memo must be prepared and authorized to continue the use of said vendor as a sole source for products or services.
4. Contracted performers and artists do not require sole-source documentation.

VI. VENDOR AND CONTRACTOR FILES

Financial Services shall maintain all financial records in accordance with ASI's Record Retention and Destruction Policy.

VII. CAPITAL EXPENDITURES


Capital expenditures are costs incurred to acquire or construct a capital asset. A capital expenditure is any purchase of a single item or combination of like items with a total value equal to or greater than \$5,000 and an estimated life of greater than one year. All capital expenditures require a PO and upon arrival, the requestor must notify Financial Services regarding the tagging of the new asset.

The policy supersedes the prior ASI Procurement Process policy and takes effect upon approval by the ASI Senate

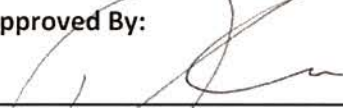
FOR ASI USE ONLY:

ASI Senate Approval Date: 12/04/14

Verified By:

 12/18/14
Andrea Cendejas, ASI Attorney General Date

Approved By:

 12/9/14
James Cox, ASI President Date