



FUNCTION OF PURCHASING SERVICES AND GENERAL PURCHASING POLICIES

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| Authority: | Vice Chancellor for Business Affairs |
| History: | Effective January 12, 1998; Revised May 28, 1998; Revised December 3, 1998; Revised July 1, 2006; Revised January 1, 2008; supersedes former Administration Policy No. PUR 1.00, “Function of Purchasing Services and General Purchasing Policies” |
| Source of Authority: | Office of State Purchasing; UNC General Administration; North Carolina General Statutes |
| Related Links: | Conflicts of Interest Policy ; Procurement of Contractual Services Procedure ; Procurement of Contracted Personal Services and Consultant Services |
| Responsible Office: | Purchasing Services |

I. Purpose

Explains the various functions performed by Purchasing Services and general policies concerning the purchase of all materials, supplies, equipment, and services.

II. Scope

- A. Applies to all university departments and activities.
- B. This policy applies to purchases expended from all funding sources (including state-appropriated monies, federal and local funds, gifts, bequests, receipts, fees, and research or grant funds administered either by the State of North Carolina or by the University of North Carolina at Wilmington).
- C. The only exception to the above is if a donation is made for the specific purpose of purchasing certain articles, the conditions imposed by the donor would control. However, if the selection and purchase of the object are not controlled by the terms of the donation (the funds alone being provided to make it), the purchase would be subject to this policy.

III. Policy

A. Function of Purchasing Services

The department of Purchasing Services provides direct support to the educational mission of the University by assisting departments in obtaining products and services of an appropriate quality, at the lowest cost, and in the time needed.

Purchasing administers relative contracts and leases; manages assets from acquisition through disposal. This mission is achieved by processing orders, managing a VISA purchasing card program, generating agreements and leases as well as managing fixed assets in an efficient manner and within the constraints of state purchasing requirements, and UNCW policies, and the highest ethical standards. To fulfill this mission, the functions of Purchasing Services are as follows:

1. To organize and administer a purchasing program for all university departments and activities.
2. To communicate and interpret state and federal guidelines governing purchasing practice.
3. To train employees in the preparation of electronic requisitions and to administer this process.
4. To provide the university with expertise on obtaining goods and services of the best quality at the lowest prices.
5. To establish contracts for campus construction and renovation projects; to contract for services and leases; and to maintain contract files for both.
6. To Manage Fixed Assets
7. To Manage a Purchasing Card Program.
8. To coordinate the selection and purchase of federal and state surplus property.

B. Code of Ethics

UNCW Purchasing Services abides by the *National Association of Educational Buyers Code of Ethics*, a copy of which may be obtained from Purchasing.

C. Compliance with Purchasing Guidelines

1. All university purchase transactions shall be made in strict compliance with the provisions of the State of North Carolina as listed in this policy.
2. Any employee circumventing established purchasing guidelines is subject to disciplinary action and may be held personally liable for the amount of the transaction. (See UNCW Policy 08.510.)
3. When a department is non-compliant with the purchasing procedure, a memorandum addressing the non-compliance will be sent to the responsible department head and to the next higher authority.

D. Purchasing Authority

Authorization for UNCW purchases rests exclusively in Purchasing Services. UNCW departments or activities may not purchase or contract without requisitioning the purchase of goods or services through Purchasing Services. The only exceptions where Purchasing Services has specifically delegated the authority to purchase to a department or activity are as follows:

1. Purchase of library books is delegated to the Director of Library Services.
2. Purchase of items for resale in the student bookstore is delegated to the Bookstore Manger.
3. Purchases of items within the UNCW Purchasing Card Program.

E. Pricing

Departments may obtain preliminary price quotes from vendors for the purpose of requisitioning goods and services. Final pricing for purchase orders is determined by Purchasing Services.

F. Purchase of Recycled Products

In keeping with state policy and to the extent economically practical, products made with recycled content are purchased.

G. Authority to Question Quantity or Quality

Purchasing Services has the responsibility and full authority to question the quantity, quality, and kind of material requested by university departments and activities so that the best interest of the university may be served.

H. State Contracts/Competitive Bidding

1. Many items are under state contract and must be obtained from specified vendors. An exception is that UNCW facilities in Florida are exempted from the requirement to purchase from state contract vendors.
2. Flexibility is available (state contract is optional) under \$5000 for funding sources other than general fund.
3. Items not covered under an existing contract and above the legal threshold for competition must be obtained under a competitive bid process by Purchasing Services. Items less than this threshold may be bid by Purchasing Services if the item is particularly competitive.

I. Sole Source Purchases

N. C. General Statutes require the university to procure all materials, equipment, supplies, and services via competitive means whenever practicable. However, in certain instances, Purchasing may waive the competitive process and approve sole source procurement provided certain requirements are met. Contact Purchasing Services for further details.

J. Contractual Arrangements

All contractual arrangements for goods and services must be reviewed and approved by the Director of Purchasing Services. (See UNCW Policies 03.230, 05.155 Procurement of Contractual Services, and 05.156 Procurement of Contracted Personal Services and Consultant Services).

K. Conflict of Interest

1. University departments shall not make purchases from individuals employed by the university.
2. In addition, employees shall not use the purchasing power of the university and/or the state for personal advantage.
3. Any transaction that may appear to be for individual personal gain (as determined by Purchasing Services) must have approval from the appropriate Vice Chancellor before the transaction shall be completed. Any such transaction must comply with the UNCW policy concerning conflict of interest. (See UNCW Policy 03.230.)

L. Receipt of Gifts and Favors from Contractors or Suppliers

1. In accordance with N. C. General Statute 133.32, gifts or favors cannot lawfully be given to certain UNCW employees by contractors, subcontractors, or suppliers who engage in either of the following:
 - a. has a current contract with a governmental agency or has performed under such a contract within the past year, or
 - b. anticipates bidding on such a contract in the future.
2. The affected UNCW employees are the one who are charged with the duties of
 - a. preparing plans, specifications, or estimates for public contracts,

- b. awarding or administering public contracts, or
 - c. inspecting or supervising construction.
3. Likewise, it is unlawful for such employees to willfully receive or accept gifts or favors from such contractors, subcontractors, or suppliers.
4. This policy on gifts and favors is not intended to prohibit:
- a. Honorariums for participating in meetings
 - b. Advertising items or souvenirs of nominal value
 - c. Meals furnished at banquets
 - d. Donations to professional organizations to defray meeting expenses
 - e. Participation by UNCW employees and officers who are members of professional organizations in any scheduled meeting functions available to all members of the professional organization attending the meeting
 - f. Customary gifts and favors between UNCW employees or officers and their friends and relatives (or friends and relatives of their spouse, minor children, or household members) when the personal relationship rather than business is clearly the motivating factor for the gift or favor.
5. However, a university employee who knowingly receives such gifts or favors must report same to his or her Vice Chancellor if the gifts were made by a contractor, subcontractor, or supplier doing business directly or indirectly with the university.

M. Campus Visits by Salespersons

Salespersons (with the exception of textbook sales representatives who are on campus visiting faculty) may visit university departments or activities only upon prior approval by Purchasing Services of the vendor's visit. Salespersons visiting university departments or activities without Purchasing's approval should be directed to Purchasing Services.

Approved visits will be scheduled by Purchasing Services, with ample notification to the university department or activity. Textbook sales representatives may schedule visits with faculty at the faculty member's convenience.

N. Equipment Demonstration and Loan

Departments must obtain prior approval from Purchasing Services for equipment demonstrations or equipment loans. Departments may not accept goods on consignment, pending the issuance of a confirming purchase order.

O. Correspondence with Vendors

1. Once a purchase order has been transmitted to a vendor, all correspondence concerning the purchase is to be handled by Purchasing Services. When the technical details involved make it advisable to delegate authority to others, Purchasing Services must receive copies of all correspondence.
2. An exception is that faculty may correspond directly with textbook sales representatives concerning textbook publication and content, the availability of support materials (study guides, textbooks) and similar matters.

P. Adjustments

Purchasing Services shall conduct all adjustment negotiations.

Q. Complaints of Vendor Performance

1. University departments should direct all complaints of vendor performance or service to the Director of Purchasing Services via a memorandum. The memorandum should include the following:
 - a. Purchase order number
 - b. Full name of the vendor
 - c. Date of the purchase order
 - d. Complete description of the problem
 - e. Chronological listing of the events since the problem was discovered.
2. Departments may call Purchasing for assistance in preparing the memorandum. Upon receipt of the memorandum, Purchasing will contact the vendor for resolution of the problem and/or (as appropriate) will submit a "Complaint to Vendor" form to State Purchase and Contract. Purchasing Services will notify the department of the outcome.

R. Protest by Vendor of Contract Award

Any vendor desiring to protest a contract award handled by UNCW must submit a written request to the Director of Purchasing Services. If a university department is contacted by a vendor indicating a desire to protest a contract award, the

department should refer the vendor to the Director of Purchasing Services, who will provide the vendor with appropriate instructions for filing a protest.