

Augusta University Policy Library

Procurement of Goods and Services Policy

Policy Manager: Office of Finance

POLICY STATEMENT

This policy and its related documents are intended to facilitate the efficient and timely procurement of goods and services on behalf of Augusta University (AU) while ensuring compliance with our legal, regulatory, and policy requirements, and adhering to practices that are intended to return the greatest value to the organization.

All procurement funded in whole or in part by university resources must be made for the purpose of university-related activities. Using university resources to purchase any goods or services for personal use or benefit is prohibited.

Failure to comply with the directives in this policy may constitute a violation of Augusta University Work Rules that could result in disciplinary action, including termination and/or restitution.

AFFECTED STAKEHOLDERS

Indicate all entities and persons within the Enterprise that are affected by this policy:

- Alumni Faculty Graduate Students Health Professional Students
 Staff Undergraduate Students Vendors/Contractors Visitors
 Other:

DEFINITIONS

- **Agency Contract** – Contracts negotiated specifically for AU with outside vendors.
- **Departmental** – Within this policy, “Departmental” refers to people who are employed by AU within units other than the Purchasing Department of the AU Supply Management Division.
- **Procurement** – The process by which goods and services are obtained.
- **Procurement Systems** – Information systems used by AU or its affiliates for purposes related to procurement, payment, or related recordkeeping. Examples include PeopleSoft Financials, Health eShop, etc.
- **Purchasing Activity** – Effort associated with any of the steps in the procurement process.
- **Purchasing Criteria** – The legal, regulatory, and policy-based standards to which AU is held accountable. At a minimum, purchasing criteria include federal and state laws and regulations, Board of Regents of the University System of Georgia policies, and AU policies. Detailed information about these criteria is maintained in the Augusta University Purchasing Manual.

Office of Legal Affairs Use Only

Executive Sponsor: Executive Vice President of Finance/Chief Business Officer

Next Review: 1/2025

PROCESS & PROCEDURES

The Chief Business Officer is authorized to establish procedures for compliance with this policy, which shall be documented in the Augusta University Purchasing Manual (Purchasing Manual). All purchasing activity must comply with the requirements detailed in the current version of the Purchasing Manual at the time of the activity.

Roles and Responsibilities

Authority to incur any obligation or make any commitment for the procurement of goods, services, or equipment on behalf of Augusta University is limited to specifically designated individuals as described in the AU Purchasing Authority Policy. The roles and responsibilities summarized here are explained in greater detail in the Purchasing Manual.

Departmental Requester – Individuals who directly engage in purchasing activities at the direction of others within colleges or administrative units are responsible for collaborating with their departmental colleagues to identify and specify their procurement needs, recommend a purchasing method to their Departmental Approver, and execute purchasing activity in compliance with this policy as directed.

Departmental Approver – Individuals with the authority to approve requests impacting departmental budgets are required to evaluate internal purchasing requests against the provisions of this policy based on the needs of the department and the resources available to direct departmental purchasing activity.

Purchasing Staff – Employees within the AU Purchasing Department who administer purchasing activities on behalf of the university, including processing routine purchase orders, conducting bids for goods and services, agency contract administration, training for departmental requestors and approvers, maintaining the Purchasing Manual, and communicating legal, regulatory, and policy updates to staff and faculty.

Bidding Requirements

Purchasing Criteria require that certain types of purchases and/or purchases meeting certain price thresholds must be obtained through a formal bid process as detailed in the Purchasing Manual. Even in cases in which a formal bid process is not required, Departmental Requesters are always encouraged to evaluate supplier options to obtain the best value for AU. Based on departmental purchasing patterns, Purchasing Staff may require additional documentation to ensure that this value is consistently obtained.

Vendor/Supplier Selection

In many instances, certain types of purchases are subject to existing statewide contracts or agreements. The State Purchasing Division (SPD) in the Georgia Department of Administrative Services (DOAS) requires all agencies to follow an Order of Precedence detailed in the Georgia Procurement Manual:

- **Tier I: Mandatory Statewide Contracts** – State Entities must use these contracts unless SPD has granted a waiver.

- **Tier II: Existing Agency Contracts** – These are contracts negotiated by the State Entity or by SPD on behalf of a State Entity. Procurement personnel must purchase goods and services that are available on existing contracts established by their State Entity. Any deviations must be documented and approved by the Agency/University Procurement Officer.
- **Tier III: Statutory Sources Designated as Mandatory** – There are two mandatory statutory sources – Georgia Enterprises for Products and Services (GEPS) and Georgia Correctional Industries (GCI).
- **Tier IV: Other Sources** – Consists of Convenience Statewide Contracts, GEPS Preferred Products, SPD approved piggyback purchases, Cooperative Purchasing following public notice, and Open Market purchases.

When permitted by Purchasing Criteria and when all other relevant business considerations are determined to be equal among competitive suppliers, the university will award contracts to vendors meeting the criteria described in the AU Supplier Diversity Policy.

Preferred Purchasing Methods

In most instances, one of the following two methods should be used for routine purchases. Purchases made through agency contracts should follow the purchase order method whenever possible.

1. **Purchase Order (PO)** – This is the recommended approach to a majority of the purchases made on behalf of the university. Purchase orders are initiated by authorized departmental users, and evaluated by Purchasing Staff to ensure that the Purchasing Criteria are met before a purchase order for goods or services is placed.
2. **Purchasing Card (P-Card)** – These strictly-regulated purchases are made by authorized users who have been issued a state purchasing card. The P-Card streamlines payment and purchasing procedures, reduces the administrative burden traditionally associated with small dollar value purchases, allows for prompt receipt of goods, and reduces purchase-related paperwork.

Alternate Purchasing Methods

In limited circumstances, often requiring prior approval and/or additional documentation and recordkeeping, the following methods may be appropriate. Consult the Purchasing Manual or Purchasing Staff for specific guidance.

1. **Payment (Check) Request** – With prior approval and coordination from Purchasing and Accounts Payable, there are a limited and specific range of purchases that do not require action by Purchasing. In this scenario, authorized departmental personnel would request payment for goods or services directly from Accounts Payable.
2. **Already Received** – In rare circumstances where it is not feasible to obtain a purchase order for an essential procurement, departments must obtain prior written permission from Purchasing based on an estimated cost from an identified vendor. The purchase is made, and

the invoice is sent to the department by the vendor. Examples of “Already Received” orders are: emergency orders, equipment repairs, and medical gases.

3. **Expense Reimbursement** – In rare instances in which logistical or extenuating circumstances preclude the use of a PO or P-Card, limited exceptions may be made for employees to use personal funds for specific types of purchases which may be reimbursed with departmental funds.
4. **Petty Cash** – In rare and limited circumstances, the Business Office may determine that it is appropriate for a petty cash fund to be established and utilized to allow for the departmental purchase of small and/or nominal goods.

REFERENCES & SUPPORTING DOCUMENTS

- [Augusta University Purchasing Manual](#)
- [Augusta University Work Rules](#)
- [AU Delegation of Contract Signatory Authority](#)
- [Georgia Procurement Manual](#)
- [University System of Georgia Business Procedures Manual](#)
- [Federal Acquisition Regulation \(FAR\)](#)
- [Georgia Department of Audits and Accounts](#)
- [Georgia Department of Administrative Services](#)

RELATED POLICIES

- [Board of Regents Background Checks of Supplier and Contractor Employees](#)
- [Ethics](#)
- [Individual Conflict of Interest](#)
- [Institutional Conflict of Interest](#)
- [Negotiation and Execution of Contracts](#)
- [Procurement of Information Technology](#)
- [Purchasing Authority](#)
- [Supplier Diversity](#)

APPROVED BY:

Executive Vice President for Academic Affairs and Provost, Augusta University

Date: 1/7/2022

President, Augusta University

Date: 1/7/2022