

Procurement

Policies and Procedures

Section 1.1 Organization of the Purchasing Department

Section 1:1 Revised April 26, 2013

The Purchasing Department is a part of Procurement Services, a Division of Business Affairs of the University and reports to the Chief Procurement Officer of the University. Offices are located in the Belfer Building Room 105 on the Resnick Campus.

The Purchasing Department is the only agency on the Yeshiva University campus, which may authorize acquisition of products or services to be paid from university accounts. University business policy states that if purchases are made in violation of the rules and regulations of the University, the persons responsible may be held personally liable for any financial commitment made.

Purchasing Office

The Purchasing Department is responsible for the execution of all purchase contracts for the University. The University employs several Contracts Administrators (CAs) who are assigned to specific Commodities.

For a complete list of Purchasing staff and associated commodities please visit <http://www.yu.edu/procurement/about/staff/> (<http://www.yu.edu/procurement/about/staff/>).

Yeshiva University Freezer Program/Alcohol Program (Central Stores)

Yeshiva University Freezer Program/Alcohol Program is a Consignment Program managed by the Science Division of the Purchasing Department. The program maintains an inventory of the most commonly used items and offers them "for sale" daily from 9:00am-1:00pm. This store is located in the Belfer Bldg Room B13. The Central Stores Catalog is available via Maccabuy.

The Scientific Purchasing Manager is responsible for determining items placed in the various freezers run by the individual vendors. The decision will reflect what is most economical for the University as a whole. Reasons for placement include:

- Multi-departmental use of the item/Usage rates
- Quantity discounts
- Shipping time

Applicability of Policies

The purchasing practices and procedures contained in this administrative policy apply to all purchases if they are to be the legal and financial obligation of Yeshiva University. As such, all Sponsored and Non-Sponsored purchases are subject to the policies contained herein as well as policies or requirements set forth by the various agencies. The University is not responsible for obligations incurred unless there is full compliance with this policy.

Section 1.2 Standards and Ethics

Section 1:2 Revised April 26, 2013

Yeshiva University Procurement Standards and Ethics

The Purchasing Department personnel exercise sound business judgment and maintain the highest ethical standards in the conduct of University business. Relationships with suppliers will support the promotion of environmentally preferred practices, diverse business utilization, and small businesses.

- Foster fair, ethical, and legal business practices that promote the University's mission.
- Grant all competitive offers equal consideration to the extent the established policies of Yeshiva University permit and regard each transaction on its own merit.
- Cooperate with trade and industrial associations, governmental and private agencies that are engaged in the promotion and development of sound business methods.
- Conduct business with potential and current suppliers in an atmosphere of mutual confidence and integrity. Relationships with suppliers will support the promotion of environmentally preferred practices, diverse business utilization, and small businesses.
- Demand honesty in sales representation whether offered through verbal or written statements, advertisements, or product samples.
- Be prompt and courteous to all legitimate business partners.
- Strive to obtain the maximum value for each dollar spent.
- Decline personal gifts or gratuities.

Conflicts of Interest

University employees involved in committing any University managed funds shall not have a business interest or a family relationship with a supplier of goods or services to the University so as not to impair the integrity and objectivity of the purchase. An apparent conflict of interest, or at a minimum, the appearance of one, may exist if any employee has a direct or material indirect financial interest in a vendor company or when there is a family or other personal relationship.

All instances where conflicts of interest appear or are suspected must be brought to the immediate attention of the Chief Procurement Officer of Procurement Services.

Gifts & Gratuities

University employees are prohibited from purchasing personal items from vendors who transact business with the University unless that vendor has a retail operation normally open to the public or otherwise pursuant to a University employee discount program. In all cases, employees may not use their employment with the University to influence the vendor in any way. If an employee does transact personal business with one of the University's vendors, the employee must exercise caution as to the appropriate invoicing for personal purchases, and all purchases should be billed and shipped to the employee's home address. Regardless of whom the purchase is made from, no personal packages are to be delivered to the University. Salespersons normally servicing University accounts are not to be involved in any personal transactions.

In addition, employees are not permitted to solicit or receive any gifts or gratuities of any nature that would, or reasonably could, be expected to influence their responsibilities to the University. Thus, all gifts or gratuities of more than de minimis value (\$25.00 or less) from companies or individuals doing business or seeking to do business with the University are prohibited. Employees should also refer to the policies of their school or department as they may be more restrictive than the University policy.

Section 1.3 Environmentally Preferable Procurement Policy

As part of a greater commitment to sustainability, Yeshiva University has established an Environmentally Preferable Procurement (EPP) Policy. The goal of this policy is to make Yeshiva and the surrounding community a healthier, more environmentally friendly place.

- A.** Procurement Services will make every effort to secure contracts with suppliers that are environmental leaders in their respective markets, whenever practical or feasible.
- B.** Procurement Services will purchase products that meet third party approved eco labels when possible and practical. (I.e. Green Seal Approved Products, Forest Stewardship Council (FSC) Certified Products, Rainforest Forest Alliance Products, Ecologo.)
- C.** Procurement Services will purchase Energy Star rated Appliances and Fixtures in all areas for which such ratings exist. Please visit http://www.energystar.gov/index.cfm?fuseaction=find_a_product (http://www.energystar.gov/index.cfm?fuseaction=find_a_product) for more details.

Procurement Services takes into consideration the following when purchasing your goods and services:

- Recyclability of the product.
- Minimization of product packaging.
- Maximization of energy/water conservation.
- Durability as opposed to one time use.
- Locally or regionally manufactured products.
- Minimization of toxic and hazardous materials. I.e. No Chlorofluorocarbons (CFCs), Mercury free, Urea Formaldehyde free, and low Volatile Organic Compounds (VOCs)
- Maximization of recycled content.
- Emphasize lowest life cycle cost and lowest environmental impact.
- Reuse of existing products or materials.
- Renewability of materials.

Procedures

Vendor Requests: Requisitions submitted will include the following statement or something similar identifying and/or requesting environmentally preferable alternatives. Requesting units may ask for assistance from the Procurement Department in identifying green alternatives.

“Yeshiva University is committed to purchasing products that are more environmentally friendly, energy efficient and healthier for our students, faculty and staff. Please, where possible, provide any “greener” product alternatives, preference may be given to products that meet third party green certification(s). A list of certifications can be found at <http://www.business.gov/expand/green-business/green-marketing/green-certification.html> (<http://www.business.gov/expand/green-business/green-marketing/green-certification.html>) “

Department Responsibility: To assist the university in its goals for a sustainable future, departments are requested to consider environmentally preferable products such as:

- Recycled-content and chlorine-free paper products.
- Energy Star rated appliances and equipment.
- Energy efficient lighting and light bulbs.
- EPEAT certified green electronic equipment.
- Biodegradable-biobased, Green Seal certified cleaning products.
- Recycled building materials: recycled concrete, carpeting made from recycled-content materials, etc.
- Low or no VOC paints, adhesives and solvents.
- Alternative fuels for use in vehicles such as biodiesel, compressed natural gas, electric, or other alternatives as they become available.

Section 2.1 Purchase Authorization

Section 2:1 Revised April 26, 2013

Policy

In order to minimize institutional vulnerability to legal claims, unintended program obligations and financial liabilities, all contracts, letters of agreement, leases, real estate and construction documents and service contracts must be reviewed as to form and approved by the Office of General Counsel before any commitments are undertaken.

After documents are approved as to form by the Office of General Counsel and execution is authorized, the next step, in many instances, is the preparation and the submission of a purchase order and its budget approval in accordance with the purchasing procedures as outlined in this policy. The written approval of the Office of General Counsel, as to contract documents and any comments, should be attached to the purchase order.

Do not attempt to negotiate with the vendor. Procurement Services will perform all negotiations and obtain the appropriate institutional authorized signature for any required documents.

If this procedure is not followed, the institution will not be responsible for the financial and legal consequences.

Deans, chairpersons, directors and administrators are authorized to approve expenditures of University funds based upon prior approved budgets. Principal investigators are authorized to approve expenditures of restricted funds based upon prior approved budgets. No purchases can be made without prior approval and verification of the availability of funds. Therefore, Procurement Services will only issue an official purchase order when the procurement requisition has been previously approved by an authorized signatory.

Approvals

Purchase Requisitions for Equipment valued in excess of \$500 or Shipments to Off-Site Locations must be sent to Research Finance for approval. In addition, for any items shipped to a location other than a University facility, the order must be forwarded to the Finance Department for approval.

All expenses greater than \$5,000 require approvals as follows:

Approval Chart for Manhattan Campuses and Einstein

| Dollar Amount | MC Approver | Einstein Approver |
|----------------------------|--|--------------------------|
| \$0 - \$5000 | Department only | Department only |
| \$5,001 - \$100,000 | Dept. Finance Administrator | Budget Director |
| \$100,001 - \$250,000 | Director of Budgeting and Mgmt. Reporting | Budget Director |
| \$250,001 - \$500,000 | University CFO or designee | Medical School CFO |
| \$500,001 - \$1,000,000 | University CFO or designee | Medical School CFO |
| > \$1,000,000 | University CFO and Board | University CFO and Board |

MaccaBuy includes dynamic workflow that moves the requisition through the system based on roles and security. If you're a Requestor you should utilize the workflow by not assigning the cart to your approver. You have to click "Submit to Workflow". Your approver will not be able to process your request if it is not in Workflow.

Procedures

Make a purchase

A Requisition is initiated via Maccabuy and, once approved, (via workflow), reaches the Purchasing Department. This authorizes the Purchasing Department to order the materials on behalf of the ordering department.

Section 2.2 Unauthorized Purchases

Section 2:2 Revised April 26, 2013

Policy

The Purchasing Department has the exclusive responsibility for approval of all purchase contracts entered into for the University. University personnel must not sign any contract documents unless they are specifically authorized. Purchases charged against University funds that are made contrary to University policies will be the personal responsibility of the individual placing the order.

Confirming Orders

A confirming order occurs when a department wishes to place an order for a needed item or service without subjecting the purchase to the normal purchasing procedures of the University. Confirming orders are permitted only in bona fide emergency situation. Examples of bona fide emergencies are a university owned motor vehicle in need of road repairs, emergency equipment repairs and other situations resulting from unforeseen circumstances. Poor planning or poor management are not acceptable reasons for placing a confirming order. The chief procurement officer is responsible for the interpretation of "emergency situations." The nature of the emergency which promulgated the confirming order should be stated in the notes section and approved by the department head for University purchases or the principal investigator for grant purchases.

If a bona fide emergency condition exists which warrants a confirming order, the following procedure is to be utilized. An emergency purchase order number must be obtained from Procurement Services prior to placing the order with the vendor. Enter your request electronically, call Procurement Services at 718.430.3001 giving specific information regarding your order (i.e., Req. Number) to the Procurement Services personnel, who will complete the order and issue an emergency purchase order number after financial approval has been obtained.

When an emergency purchase order number is requested for repairs or service, the requisition should be submitted after the service is completed and the service report must be forwarded to Procurement Services. The vendor should be requested to mail the invoice showing our purchase order to Yeshiva University, Accounts payable Office, for processing and payment.

Individuals requesting Emergency Purchase Order numbers for confirming orders, who abuse the system through excessiveness or lack of follow-up documentation, will forfeit the ability to use the emergency system.

Section 2.3 Maccabuy Roles

Section 2:2 Revised April 26, 2013

Shopper - These users can shop for items and assign their shopping cart to Requesters to process, but cannot themselves submit a cart for approvals. This is the most common role in the procurement process, with many shoppers in each School/Department. If you used to shop on SciQuest and assign your cart to someone else for processing and currently had no access to Jacada for procurement then you are a shopper

Requisitioner (Requester) - These users can shop for items, change/add GL number(s) on carts assigned to them, and submit carts to approval workflows. Typically, there are several requesters in each School/Department depending on the size of the department

Approver - These users review (approve and reject) purchase requisitions that are assigned to them by the system based on their function (typically, it is the Departmental Administrators and Manager). Approvers can also shop. There are usually one or two per School/Department and most often this role is performed by the Administrator, Director, or Manager (similar to the "Budget Manager" role in Banner Finance).

Requestor/Approver - This is a new role, a combination of the Requester and the Approver roles. Caution should be exercised when giving someone the Approver/Requester authorization, as he/she will be able to approve their own orders (requisitions) up to \$5,000, and can also approve orders - under \$5,000 - of other Requesters within the Department, Division, or School. It is recommended by our auditors, and a good procurement practice in general, that a request for goods and services has two levels of approval, a requisitioner (Requester) and an Approver. However, in certain cases we understand that this is not entirely possible. If this is the case in your Department, Division, or School you can request that certain individuals be given the Approver/ Requester role.

Section 3.1 Solicitations/Demonstrations/ Sole Source Purchases

Section 3:1 Revised April 26, 2013

Policy

University policy requires that supplies and materials in excess of \$7500 be obtained by competitive bidding.

Bidding Guidelines

Items from \$7,500 to \$20,000:

Procurement Services shall solicit a minimum of three verbal quotations from responsible vendors. Documentation of the quotes will be noted on the purchase order. Generally, the purchase is made from the vendor quoting the lowest price, whose product and offer complies with the terms of the solicitation. If the purchase is not made from the bidder quoting the lowest price, a written justification for the low bid bypass will be retained by Procurement Services.

Items \$20,000 and Over:

Procurement Services shall solicit a minimum of three written competitive bids from reliable vendors. The written quotes will be retained by Procurement Services. Purchase will be made from the vendor quoting the lowest price, whose product and offer complies with the terms and specifications of the solicitation. If the purchase is not made from the bidder quoting the lowest price, a written justification for bypassing the low bid will be made and retained by the Procurement Services. A bypass of a low bid requires the approval of the Chief Procurement Officer of Procurement Services.

Evaluating the Bids:

Once the bids are received, they must be evaluated to determine which vendor will be given the order.

If the products offered by each of the bidding vendors are of equal quality, if each vendor promises the same delivery date and if there are no other considerations, the order would go to the low bidder. However, all these factors are seldom equal and many orders are, therefore, placed with other than the low bidder for good reasons. No set formula can be devised that can be applied to all products for all orders. The quality and delivery requirements will vary for different products and for different uses. The delivery requirements may vary for different orders as well. For these reasons, the act of selecting the bid which best suits the needs of the University's is one that requires the judgment and experience of Procurement Services.

Follow-up of Non-Bidders:

A bidders list that is active and current is maintained by Procurement Services. This stimulates competitive bidding and should result in maximum response to an invitation to bid. Those requesting the purchase of goods or service subject to competitive bidding must allow sufficient lead time so all solicited vendors are able to submit timely bids. Within existing time constraints, alternate vendor(s) will be sought to provide bids. Vendors not returning a bid will be queried as to the reasons they chose not to respond and Procurement Service's bidders list will be updated accordingly.

Sole Source and Specified Vendors:

The originator of the Procurement Requisitions frequently suggests or requests a specific manufacturer or supplier. Procurement Services will review the request for reasonableness, but reserves the right to place orders with vendors whose prices are lower than those of the vendor that appears on the requisition and who have extended their services to the University. The originator will be so advised prior to purchase. When an item is unique, available from only one supplier or a substitution is not feasible (commonly referred to as "sole source"), a Request for a Waiver of Competitive Bid approved by a department head for University fund purchases or the principal investigator for grant purchases must be completed. Procurement Services will determine the reasonableness of the Request for Waiver by investigating the price and services available from the "sole source" vendor. The Waiver must be approved by the chief procurement officer.

Waiver of Competitive Bidding:

Although competition may be waived, it is required wherever possible. When a waiver is considered, Purchasing may negotiate with a potential vendor in an effort to acquire the best quality, price, delivery, and terms and conditions. If performance or price competition is not available competitive bidding may be waived. Conditions permitting waiver include, but are not limited to:

- Performance or price competition is not available.
- Necessary product or service is available from only one source.
- Emergency or pressing need is indicated.
- Competition has been solicited with no satisfactory offers received.
- Standardization or compatibility is the overriding consideration.
- Personal or particular professional services are required.
- Additional products or services are needed to complete an ongoing job or task.
- Purchase is being made and satisfactory price is available from a previous contract.

Section 3.2 Types of Purchase Orders and Forms

Section 3.2 Revised April 26, 2013

Non-Catalog Form:

When to Use This Form:

- To purchase goods and services not found in a SciQuest catalog, from contracted and other suppliers.
- This form should also be used for contracted services, independent contractors/consultants, service and repair contracts, and any other orders that have contracts associated with them. Please be sure to attach all necessary documentation to this form in order to avoid delaying your request. This form is quantity driven. If a contract has multiple even payments you may use this form.
- This form can be used for "confirmation only" type orders. Confirmation type orders are permitted only in a bona fide emergency situation. This type of PO will only be sent to supplier if you choose the "yes" option.
- Please note: You will need to enter "Yeshiva Purchasing Department" as the supplier if you cannot find a supplier in the search or if it is a new vendor to be added.

Blanket Order Form:

When to Use This Form:

A Blanket Order/Standing Order is a term contract or basic agreement between the University and a supplier. It is issued to a specific supplier to address recurring low dollar purchases of consumable supplies or services, for a specific period of time. A Blanket Order is issued to support an existing contract, or independently, after all terms and conditions have been negotiated.

You must include the following information:

- The period to be covered by the blanket agreement (cannot exceed one fiscal year)
- The previous Blanket Order number, if this is a replacement Blanket Order
- Items and/or categories of items to be covered by the Blanket Order (when available). In the case of a standing order, quantities and day/time of delivery are required
- Maximum quantities, if any
- Prices and pricing arrangements

Request for Payment:

- This form is to be used for payments to vendors only when use of a PO or a P-card is not possible.
- Invoices, receipts or other supporting documentation must be attached to this form. Incomplete forms will be returned.
- Documentation must identify: Date of purchase, Name of vendor, Itemized list of goods, and the Total amount.
- For all types employee or student payments, including travel and non-travel expenses, please click the link below to be taken to the Employee/Student Payment form which is not a part of SciQuest. <http://www.yu.edu/procurement/accounts-payable/ap-forms/> (<http://www.yu.edu/procurement/accounts-payable/ap-forms/>). Follow the instructions on the form for payment processing.

Guest Lecturer / Honorarium Authorization Request:

- Use this form to obtain approval to present an honorarium or hire a guest lecturer. The definition of a "Guest Lecturer" shall include distinguished faculty, eminent or renown individuals presenting lecturers, speeches, seminars, workshops, and performances.

- Do not use this form when services from Yeshiva University staff, faculty members, or students are used.

Refrigerator/Freezer Safety:

- This form is for interdepartmental use only. This form must accompany any Non Catalog or Blanket Order Form when requesting refrigerator/freezer commodities.

Alcohol Request Form:

- This form is for interdepartmental use only. Please submit this form when requesting 190/200 proof Alcohol.
- Requestor originates alcohol order form specifying type and quantity.
- Necessary approvals secured. Order form/pr is forwarded to Central Stores.
- Requestor goes to Central Stores Alcohol Room to obtain product.
- Central Stores Clerk dispenses requested alcohol.
- Requestor enters receipt data.

PO Change Request:

Use this form to request a change to a Purchase Order that has already been sent to the supplier.

Only Procurement Services is authorized to issue a revision. In case of extensive changes, Procurement Services may choose to reproduce the complete information on the purchase order, in effect, canceling the original order.

Changes may refer to price, quantity ordered, terms and conditions, delivery point, funding source, etc. As a result of these or any other changes, the accounting information may also have to be altered and the appropriate documentation sent to the Finance Department.

A revision is issued only after the change has been agreed to verbally by the vendor and/or the requesting department. Issues that might require a revision include:

1. Request for a change received by a department or originated by Procurement Services
2. Request from vendor for change in the provisions of the purchase order
3. Any error (typographical or otherwise) discovered by any section of Procurement Services

Section 3.3 Yeshiva University Freezer Program/Alcohol Program (Central Stores)

Section 3.3 Revised April 26, 2013

Freezer Program

Click the Yeshiva Freezer Program button in the Showcased Supplier section of the Maccabuy homepage. Use the catalog number or item description to order desired item. Once complete submit the cart to workflow. Once cart is approved the Freezer Program clerk will receive the requisition will create a PO and dispense the item once end user comes to store to pick up item.

Alcohol orders

Use the Alcohol Request Form to order the item and desired amount. Once complete submit the cart to workflow. Once cart is approved the Freezer Program clerk will receive the requisition dispense the alcohol, record the serial numbers in the requisition, and create a PO. Item will be dispensed once end user comes to store to pick up item.

Yeshiva University

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