

Purchasing Authority

FIN-PUR-1.0



About This Policy

Effective Dates:

02-18-1992

Last Updated:

12-02-2015

Responsible University Administrator:

Vice President and Chief Financial Officer

Policy Contact:

Jill Schunk

Associate VP, Office of Procurement Services

jschunk@iu.edu

Scope

Indiana University units and employees who need to purchase goods or services for their business use at Indiana University.

Policy Statement

Purchasing authority is vested in the Board of Trustees of Indiana University and delegated to the Treasurer of the Board of Trustees and of the University ("Treasurer") to the Associate Vice President (AVP) of University Procurement Services. Only authorized Indiana University personnel with delegated authority may commit University funds for goods and services.

Purchasing policies, mission statements, systems development, processes, procedures and institutional reporting are the responsibility of the AVP of University Procurement Services. The AVP of University Procurement Services is responsible for documenting and communicating purchasing policy to all campuses, the implementation of University purchasing policy, management of operational processes and procedures, and the organization of the purchasing department. Exceptions to this policy must be approved by the AVP of University Procurement Services.

Signature Authority and Authorized Exceptions:

Signature Authority is granted to specific individuals within Indiana University. Faculty and staff do not have the authority to sign contracts for the purchase of goods and services on behalf of the University without official written authorization.

The AVP of University Procurement Services and Purchasing staff have the sole authority to commit the University in contracting for materials and services with the following authorized exceptions:

1. Real Estate through the Office of the Vice President for Capital Planning and Facilities
2. Books and other holdings for the Libraries through the Dean of University Libraries
3. Insurance through the offices of University Human Resources and INLOCC
4. Contracts signed on behalf of the Board of Trustees by the Treasurer
5. IU Press (for goods or services related to publications)

6. Sponsored Research Agreements through the Office of Research Administration
7. Legal Services through the Office of the Vice President and General Counsel
8. Transactions in these areas are exempt from FIN-PUR-5.0, Competition policy.

Purchasing Authorities and Delegations:

The Associate Vice President of University Procurement Services or a delegate has the authority to review any and all records to assure compliance with University policy. The following purchasing authorities have been approved:

1. Automatic Purchase Orders (APOs)
2. Purchasing Cards
3. KFS Disbursement Voucher
4. Pre-Disbursement Processing
5. Vice President for Capital Projects & Facilities
6. University Director of Travel Management Services for travel related contracts

Reason For Policy

To assure fiscal responsibility and risk mitigation for expenditure of public or managed university funds. Authorization to commit University funds for goods and services is delegated to the Associate Vice President of University Procurement Services by the Treasurer to the Board of Trustees and Indiana University.

The objective of the delegated authority is to enable prompt response to departmental needs where applicable for more efficient and effective procurement and payment transactions. Due to the compelling or unique nature of some acquisitions, authority to perform these functions has been delegated to other departments.

Procedure

The AVP of University Procurement Services is responsible for maintaining a current organizational chart and a policy and procedures manual. See **Solicitation Process Procedures**

Automatic Purchase Order Policy and Procedures permit authorized departmental personnel to commit University funds as outlined in the "Instructions for Automatic Purchase Orders" Procedures (Procurement System Documentation).

Purchasing Card Policy and Procedures permit authorized individuals to commit their University departmental funds as outlined in the "Purchasing Card" Procedures.

Initiation of **agreements related to capital projects and facilities** will reside in the Office of the Vice President of Capital Projects and Facilities Office. (Appendix L)

FMS KFS [Disbursement Voucher](#) policies/procedures.

Definitions

Purchasing Authority: the University Procurement Services' authority to commit University funds for goods or services, and all agency powers associated with the business activities.

Purchasing: A process which includes:

- consultation with user departments
- selection of vendors
- solicitation for proposals and quotations

- development, implementation and execution of University contracts related to the purchase of goods and services
- awarding of orders and contracts
- recording of audit trail

Throughout the purchasing process, the purchasing departmental staff follows University policies, statutes, regulations, and ethical standards.

Sanctions

Failure to follow appropriate policies and procedures regarding the use of University funds and resources could put the University at financial and legal risk. Sanctions for failure to comply with purchasing policies may result in disciplinary action up to and including employee termination and/or cancellation of related purchasing transactions. Violation of state statutes may result in civil or criminal penalties.

The AVP of Procurement Services reserves the right to restrict or revoke delegation to specific departments or individual for failure to adhere to purchasing policies and regulations or as circumstances warrant.

Additional Contacts

Subject	Contact	Phone	Email
Purchasing Authority	Office of Procurement Services	812-855-5646	purhelp@iu.edu
Exceptions to Purchasing Authority	Purchasing Department	812-855-5646	purhelp@iu.edu
Delegation of Purchasing Authority	Robert Halter	317-274-7746	rhalter@iu.edu
Delegation of Purchasing Authority	Tim Rice	812-855-5646	trice@iu.edu

History

In an effort to streamline and consolidate policies: FIN-PUR 1.0 Purchasing Authority, FIN-PUR 1.1 Exceptions to Purchasing Authority and FIN-PUR 1.2 Delegation of Purchasing Authority were combined to both clarify and merge those policies related to Purchasing Authority into a single policy on December 2, 2015.

Previous Versions:

Related Information

[Signature Authority and Delegation, FIN-TRE-100](#)
[State and Federal Statutes and Regulations, FIN-PUR-2.0](#)
[State Statute IC 4-13.4 \(Appendix A\)](#)
[Disbursement Voucher Supporting Documentation, FIN-ACC-420](#)
[Purchasing Ethics, FIN-PUR-3.0](#)
[Conflict of Interest and Disclosure](#)
[Conflict of Interest, HR-07-40](#)
[Conflict of Commitment, HR-07-30](#)

Related Forms

Office of the Treasurer Delegation of Signature Log
Office of the Treasurer Delegation of Signature Authority

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