## Procurement & Contracting Services

#### What are Authorized Purchasing Methods?

Authorized purchasing methods (in order of preference) include:

* [**AggieBuy**](http://afs.ucdavis.edu/our_services/contracting-services/projects/aggiebuy/index.html)
* [**Procurement Card**](http://afs.ucdavis.edu/our_services/contracting-services/p-card/index.html)
* [**KFS**](http://afs.ucdavis.edu/systems/kuali/document-help/pur/reqs-doc.html) (Within the BFTV Cluster, we use the Online Pre-Purchasing system (OPP) for these purchases)

#### Why is it Important to use an Authorized Purchasing Method?

Using one of the official purchasing processes ensures that all approvals are properly documented, the University receives the lowest overall cost, and the purchase meets the requirements of University Policy, State and Federal Codes, and funding sources. The University risks the loss of future funding if proper procurement methods are not followed.

Requiring approval before a purchase is made helps to ensure that a purchase is appropriate for University use and is acquired from an appropriately-qualified supplier.

#### What is an Unauthorized Purchase?

An "Unauthorized Purchase" is one where a purchase is made on behalf of the University without the appropriate approvals being secured **first**.  Examples include an employee purchasing a new office computer on their personal credit card or a supplier doing work for a department without having an official Purchase Order established first.

Acquisition of products or services on behalf of the University **requires approval** **before the purchase is made**.

#### Can an Unauthorized Purchase Reimbursement Request be Disapproved?

Confirming orders issued to suppliers or reimbursements made to an employee for an unauthorized purchase can be disapproved for multiple reasons, including, but not limited to:

* Use of an inappropriate supplier
* Purchase not appropriate for University use
* Price comparison shows the price to be significantly higher than the University’s price (including pricing on Strategic Sourcing Agreements)

Purchases that are not appropriate or necessary for official university business will not be reimbursed or paid for on a confirming purchase order.

#### Process for Requesting Reimbursement for Unauthorized Purchase

The process for an unauthorized purchase reimbursement depends on the dollar amount of the original purchase, items/services purchased, if the employee used personal funds to make a purchase, or if the supplier provided products or services without an official university purchase order.  See the [Reimbursements Page](http://afs.ucdavis.edu/systems/kuali/document-help/ap/dv-doc/reimbursement.html) for instructions on how to process**.**

#### **Policy**

* [**PPM 350-10**](http://manuals.ucdavis.edu/ppm/350/350-10.pdf)**: Procurement: Equipment and Supplies**
* [PPM 5402](https://regents.universityofcalifornia.edu/governance/policies/5402.html)**:  Policy Generally Prohibiting Contracting for Services**

## Procurement & Contracting Services

http://afs.ucdavis.edu/our\_services/contracting-services/general-information/purchasing-decision-chart.html

### Procurement Decision Chart

#### Supply and Capital Asset Item Procurement

1. For any supply or capital asset needs, ALWAYS check AggieBuy FIRST.  AggieBuy allows you to purchase items without a per-item or per-order dollar limit and ensures that you are receiving the suppliers' best price offered to the university.
2. If AggieBuy doesn't have the items you need, use your UC Davis Procurement Card for purchases up to $4999.99 per vendor per day.
3. If you can't procure items completing steps 1 and 2, complete a **Requisition** in the Kuali FInancial System. Whenever possible, utilize an existing ***Agreement*** in KFS.

#### Service Procurement

1. For service needs, check to see if there is a campus source that can fulfill the request FIRST. Perhaps Special Services, the UC Davis Mail Services Division, or another campus service provider can assist with your service needs?
2. If there isn't a campus service provider for the desired service, complete a **Requisition** in the Kuali FInancial System. Whenever possible, utilize an existing ***Agreement*** in KFS.

#### Procurement Decision Chart

Also see the [*How Do I Buy? page*](http://afs.ucdavis.edu/our_services/account_payable/procurement-card/chart.html)  for additional examples of procurement/payment methods.

|  |  |  |  |
| --- | --- | --- | --- |
| **ORDER TYPE** | **DESCRIPTION** | **ALLOWABLE METHOD(S) (in order of preference)** | **COST LIMITS** |
| Supply Purchases | --Orders of supply items  [--Excluded items](http://afs.ucdavis.edu/our_services/contracting-services/general-information/purchasing-decision-chart.html#excluded) not allowed (some exceptions for AggieBuy purchases) | [--AggieBuy](http://afs.ucdavis.edu/our_services/contracting-services/projects/aggiebuy/index.html)  [--Procurement Card](http://afs.ucdavis.edu/our_services/contracting-services/projects/aggiebuy/index.html)  --KFS **Requisition** that becomes an Automatic PO | --NO Dollar Limit if purchased in AggieBuy  --$4,999\* per vendor per day if purchased on the KFS Requisition or Procurement Card |
| Capital Asset purchases in AggieBuy | Orders of items that meet the definition of a capital asset and available in AggieBuy | [AggieBuy](http://afs.ucdavis.edu/our_services/contracting-services/projects/aggiebuy/index.html) | NO Dollar Limit if purchased in AggieBuy |
| Non-delegated Purchases, including Capital Assets not available in AggieBuy | Purchases listed on the  [Excluded items](http://afs.ucdavis.edu/our_services/contracting-services/general-information/purchasing-decision-chart.html#excluded) list and not available in AggieBuy | --KFS **Requisition**  that routes to Procurement and Contracting Services for review and PO creation in KFS | NO Dollar Limit |
| Repair Orders | Repairs of equipment or supplies, not otherwise available through UCD services or established maintenance agreements | **KFS Requisition** that becomes an Automatic PO | $4,999\* per vendor per day |
| University Agreements | Negotiated agreements for systemwide, campuswide, or departmental use. Items may be supply or service | [--AggieBuy](http://afs.ucdavis.edu/our_services/contracting-services/projects/aggiebuy/index.html)  --[Procurement Card](http://afs.ucdavis.edu/our_services/contracting-services/p-card/index.html)  --KFS **Requisition**  citing the agreement number | --NO Dollar Limit if purchased in AggieBuy  $4999.99 limit applies to Procurement Card purchase, regardless of agreement limit  --Dollar Limit Specific to each agreement if purchased in KFS |
| Published Materials | Published and copyrighted materials, including periodicals and electronic media. | --AggieBuy  --[Procurement Card](http://afs.ucdavis.edu/our_services/contracting-services/p-card/index.html)  --KFS **Requisition** that becomes an Automatic PO | NO Dollar Limit |

#### ﻿Excluded Items List

The following items must be processed on a KFS **Requisition** through Procurement & Contracting Services, regardless of cost:

* Building Repairs, Products, Services, or Modifications
* Animals; laboratory or others
* Capital Assets\*\*
* Catering and food-related agreements
* Charters - air, land or sea
* Computer software that requires license agreements to be signed (does not include registration cards)
* Consultant Services or Independent Contractors
* Electrical supplies and equipment\*\* restricted per P&P [290-85](http://manuals.ucdavis.edu/PPM/290/290-85.pdf)
* Employee as Vendor Transactions
* Equipment Maintenance Contracts
* Equipment Rentals in excess of 31 days
* Food Equipment\*\*
* Furniture\*\*
* On-site labor-related services of any kind
* Personnel Type services
* Precious Metals
* Real property rentals of facilities, storage space, etc.
* Respiratory Protection Items\*\*
* Specially controlled items, such as ethyl alcohol (except as purchased from the Central Storehouse or other AggieBuy supplier), narcotics or dangerous drugs, Radioactive Nickel Foils and Sealed Sources
* Weapons (guns, rifles, etc.)\*\*
* All products requiring special routing in KFS\*\*

\**Total price including tax and freight/shipping/handling charges.*

\*\*Unless purchased in AggieBuy

*Refer to UC Davis Policy and Procedure Manual*[*350-10*](http://manuals.ucdavis.edu/ppm/350/350-10.pdf)*for more information.*

## PURCHASING CARDS

<http://afs.ucdavis.edu/our_services/contracting-services/p-card/allowable-use.html>

## Contracting Services

**Allowable Use**

The Purchasing Card can be used for delegated departmental purchases of allowable goods (most types of purchases made with a [Departmental Purchase Order](http://dafis.ucdavis.edu/olrm/index.cfm?doc=DPO)) from vendors who accept Visa. Purchases are limited to $4999 per vendor per day, with a $10,000 daily limit.

Typical purchases include:

* Items available on university supply [agreements](https://dafisds.ucdavis.edu/DecisionSupport/fields.cfm?QueryID=34) *(Note: Purchasing Card can only be used up to the $4999 daily limit per vendor, regardless of agreement limit – DO NOT SPLIT ORDERS TO GET AROUND POLICY.)*
* Low-value supply purchases not available on a university supply agreement or at a lower total cost through a UCD service (e.g., ReproGraphics, Central Storehouse)
* Published materials - Advertisements and copyrighted materials, including books, educational films, CDs and video tapes
* Memberships (Additional [documentation and approvals](http://pcard.ucdavis.edu/FAQ/questions.cfm#ques_17) required)
* Utility Payments
* Office Furniture (up to $500) -- See the Procedures section of the DPO [online reference manual](http://dafis.ucdavis.edu/olrm/index.cfm?doc=DPO); office furniture purchases exceeding $500 should be made using [UCD Buy or the Furniture Program](http://furniture.ucdavis.edu/help/ordering.cfm)
* Registration Fees for Conferences/Training Classes (*only* allowable when *no* travel or entertainment is involved)

Purchasing cards CANNOT be used for the following:

* Online vendors that require the cardholder to agree to terms and conditions in order to complete the purchase, except those [vendors whose terms have been approved](http://purchasing.ucdavis.edu/geninfo/oltermsallowed.cfm) by Contracting Services
* Travel-related expenses
* Entertainment expenses, including food for business meetings
* Items or services for personal use
* Excluded Items
* [Inventorial equipment](http://accounting.ucdavis.edu/CA/EquipDef.cfm)
* Cash advances
* Services, *except* utilities
* Departmental Repair Orders (see PPM Section [350-21](http://manuals.ucdavis.edu/PPM/350/350-21.htm))
* Postage or mail services, *unless* under an existing campus agreement
* Any items requiring the signing of a vendor agreement (e.g., customizable software)
* Non-office furniture

More information on what can and cannot be purchased on the Purchasing Card is in the Policy and Procedure Manual, section [350-22](http://manuals.ucdavis.edu/ppm/350/350-22.htm).