

# CAL STATE FULLERTON PHILANTHROPIC FOUNDATION

## Purchasing of Goods and Services

The Cal State Fullerton Philanthropic Foundation (CSFPF) established this policy to provide account holders with regulations regarding purchases of goods (equipment, materials and supplies) and services using philanthropic funds. All purchases must be in compliance with this policy.

Expenditures from a CSFPF account must be in accordance with the purpose of the account based on donor intent.

CSFPF will provide a purchase order process to facilitate purchases of goods or services where the vendor requires a purchase order number.

### **Purchases of Goods**

**Purchases of goods under \$5,000** except for the purchase of hazardous materials, shall be accomplished in a manner customary to the market place using sound business practices. The Foundation credit card can be used to facilitate purchases of goods under \$5,000. However, purchases on the Foundation credit card are restricted to only allowable purchases and card holder spending limits. Please refer to the Foundation credit card policy for information on allowed purchases.

**Purchases of goods \$5,000 and above** or *any* purchase of hazardous materials/chemicals will be facilitated through campus Contracts and Procurement via the Foundation. These orders are subject to the policies and procedures of the university's Contracts and Procurement Department. *Contracts and/or quotes should reflect Cal State Fullerton.* Foundation staff will enter a requisition request via CFS and will work directly with campus Contracts and Procurement on these requests. The Foundation will reimburse the state for these purchases.

Exceptions to this process include expenditures related to:  
Insurance payments, facility rentals for events, reimbursements for basic supplies, employee travel and payroll encumbrances. Exception to this process is also allowed for Foundation operating and purchases made for separate entities with funds residing in the Foundation. However, CSFPF reserves the right to have university Contracts & Procurement review any purchases for these entities if needed.

**Purchases of goods with a total value from \$25,000 to \$50,000** requires obtaining informal price quotes from *three or more vendors*, either in writing, email or by telephone. Documentation should include date, vendor name, contact person, phone number and be attached to the requisition.

A sole source procurement is permissible at this expenditure level only when a determination has been made and approved in writing, that only one source exists that can provide the goods or services in accordance with the requirements of the CSU.

Written Justification for sole source should include:

- a) Unique performance factors of the product specified
- b) Why these factors are required
- c) What other products have been evaluated and rejected and why
- d) Special circumstances requiring immediate action

**Purchases of goods greater than \$50,000** will require an RFP or sole source justification completed through the campus Contracts and Procurement Department. All established policies and procedures for the campus Procurement Department must be followed.

### **Purchases of Services**

The Foundation will process purchases of services for the benefit of campus through the university's Contracts and Procurement Department. These orders are subject to the policies and procedures established by the university's Contracts and Procurement Department. *Contracts and/or quotes should reflect Cal State Fullerton.* Foundation staff will enter a requisition request via CFS and will work directly with campus Contracts and Procurement on these requests.

Exceptions to this process include expenditures related to: insurance payments, legal services, honorariums, basic catering and golf resort reservations for fundraising events and services less than \$5,000 by approved university vendors \*. Exception to this process is also allowed for Foundation operating and purchases made for separate entities with funds residing in the Foundation. However, CSFPF reserves the right to have university Contracts & Procurement review any purchases for these entities if needed.

\* (a list of these vendors can be found at <http://finance.fullerton.edu/procurement/pcard/AuthorizedServiceProviders.asp>)

All requests for payment of services and service-related items that are not performed by approved campus vendors, **must be pre-authorized** by CSFPF before services are performed.

*No payments for services to vendors not on the approved vendor list will be made through CSFPF accounts unless they are preauthorized.*

Services include (but are not limited to):

- ✓ Any type of contracted services
- ✓ Speaker compensation and reimbursements
- ✓ Performers
- ✓ Printing services (with design element)
- ✓ Mailing services
- ✓ Design services
- ✓ Video services
- ✓ Rental services
- ✓ Event services
- ✓ Hotels
- ✓ Catering/food service
- ✓ Golf resorts or other event venues
- ✓ Goods which have a service component such as:
  - Letterhead, envelopes and other paper products that have been imprinted
  - Promotional items that have been imprinted
  - Items of appreciation/congratulations to donors or others that have been imprinted

**Services under \$5,000**-The Foundation credit card can be used to facilitate purchases of services by **approved campus vendors under \$5,000**. However, purchases on the Foundation credit card are restricted to only allowable purchases and card holder spending limits. Please refer to the Foundation credit card policy for information on allowed purchases.

**Services from \$25,000-\$50,000**-All purchases of services with a total value **from \$25,000 to \$50,000** requires obtaining informal price quotes from *three or more vendors*, either in writing, email or by telephone. Documentation should include date, vendor name, contact person, phone number and be attached to the requisition.

A sole source procurement is permissible at this expenditure level only when a determination has been made and approved in writing by the CSFPPF, that only one source exists that can provide or services in accordance with the requirements of the CSU.

Written Justification for sole source should include:

- e) Unique performance factors of the product specified
- f) Why these factors are required
- g) What other products have been evaluated and rejected and why
- h) Special circumstances requiring immediate action

**Purchases of services with a total value greater than \$50,000** will require an RFP or sole source justification completed through the campus Contracts and Procurement Department. All established policies and procedures for the campus Procurement Department must be followed.

### Procurement Process

Contracts and Procurement will process requisitions on a first come, first served basis, so it is important to allow sufficient time for the issuance of a purchase order. We recommend a minimum lead time of ten working days, however contracts for larger amounts or requiring additional IT approval may require up to fifteen working days for review.

Authorized signers failing to follow this policy may incur personal liability or financial obligation with the vendor.

The requestor will be familiar with the campus policy on insurance requirements, approved vendors, IT purchasing and Directive 11 prior to submitting request for purchase order.

Upon review, the CSFPPF will determine if the expenditure is allowable and based on the expenditure limits listed below and the type of expenditure.

CSFPPF will submit the requisition information and back-up documentation to the university via the requisition process. If the university determines the payment is appropriate, it will notify CSFPPF at which time the requestor will be issued a CSFPPF P.O. number.

To obtain a purchase order:

Submit a completed CSFPPF P.O. form found on the CSFPPF website.

Ensure all requested information is provided

- CSFPPF account number and department contact information
- Complete payee name and address
- Total amount to be paid for service (total of all payments if more than one payment)
- Type and detail of service to be performed (including number and amount of expected payments)
- Justification statement for the expenditure of how it relates to the purpose of the CSFPPF account being charged, if not apparent
- Make sure authorized account signer(s) review and sign the completed form
- Obtain a CSUF Form 204 – Vendor Data Record (if one has not been previously submitted)
- Complete Directive 11 Form, if applicable
- Insurance requirements, if applicable
- Approval from IT for IT technology commodity and service purchases
- Attach a copy of the contract or quote for the requested services- for purchases \$25,000-\$50,000 as indicated above. **ALL QUOTES OTHER THAN THOSE EXCEPTIONS LISTED ABOVE SHOULD BE ADDRESSED TO CAL STATE UNIVERSITY FULLERTON**

- Contact CSFPF for any expenditure requiring an RFP
- Any other documentation which may help explain/justify the expenditure