



Policy Manual

Last Revised: December 1, 2019

These procurement policies support the educational, research, and Catholic mission of the University of Notre Dame by applying sound business practices with designated funding requirements. This document establishes policies to ensure a procurement process based upon quality, integrity, fair competition, and equal treatment of the business community.

Revision History	
Date	Notes
2008	Initial version
Dec 2014	Updated statement for Uniform Guidance
Jan 2015	Updated "Vendor Selection Form" to "Supplier Selection Form" Removed blank sections for Printing, Leasing, Books & Periodicals, Food Purchases, and Supplier Diversity Program Changed "Commodity Purchase Matrix" to reflect "listing of preferred suppliers on buy.nd.edu"
May 2017	Updated note on delay of implementation for Uniform Guidance per OMB announcement
July 1, 2018	Updated policy in accordance with Title 2 U.S. Code of Federal Regulations (CFR), Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) – specifically addressing 2 CFR § 200.317 to 200.326.
July 1, 2019	Added Visual Compliance and Supplier Good Standing Added RFQual reference Added PO Changes Added Delegation of Authority Amendment Clarification Added APO Revised document to University standard font Arial Narrow
September 30, 2019	Corrected version date on pages 2 - 17
December 1, 2019	Added Stem Cell and Human Tissue Updated Delivery Added Procurement Services Script to cover page

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Introduction

These policies establish how the University of Notre Dame Procurement Services will apply sound business practices in conjunction with requisite regulations. The policies support the purchases and contracts issued by Procurement Services such as the acquisition of office supplies, purchase or lease of supplies, vehicles, information technology, maintenance, capital improvements, travel related contracts, and architectural and engineering services.

A policy or procedure adopted herein may not change any right or obligation under a procurement contract in existence before the effective date of the policy or procedure.

Subcontracts and subrecipients and other agreements entered into by the University of Notre Dame in fulfilling its obligations under federal, state, local and private grants and contracts are procurement actions.

The University may, from time to time, make amendment to these policies and procedures in order they remain consistent with current methods and best business practices.

Vision

To be the premier procurement organization in higher education.

Mission

Through strategic sourcing, contract management and innovative solutions, Procurement Services, in collaboration with the rest of the Finance Division, strives to further the mission and goals of the University by facilitating the procurement process, mitigating risk and maximizing value in each transaction.

Core Values

In alignment with the core values of the University: integrity, accountability, teamwork, leadership in excellence and leadership in mission; Procurement Services also places an emphasis on exceptional customer service, responsible stewardship and impeccable professionalism.

Services

Procurement Services delivers procurement tools, policies, standards and procedures needed to accomplish the Mission of the University while establishing strategic alliances, promoting community relations and minority business development programs and promoting ethics in purchasing.

Sourcing and Bidding: Procurement Services provides University departments with sourcing (the identification of sources of supply for a particular product or service) and bidding services. In addition, Procurement Services sets policies and procedures on bidding requirements for the University. The policies comply with legal, statutory and federal purchasing regulations or guidelines. Procurement Services will assist departments in identifying potential suppliers and obtaining bids. For large and/or complicated transactions, a request for proposal (RFP) will be sent to potential suppliers to ensure the appropriate specifications or scope of work, price, and contract terms are present.

Procurement Systems: This functional unit has the responsibility for managing the buyND e-Procurement system which provides electronic requisitioning, catalog management, order transmission, receiving, ERP integration, and supplier web enablement. In addition, this unit is responsible for Travel Services, other Internet procurement tools, data analysis, and department website support.

Quality Assurance, Compliance and Risk Mitigation: Procurement Services will assist colleges/departments by verifying that contract terms are followed, pricing/payment terms are advantageous and goods/services are received properly. In addition, this unit provides the business planning and management of purchasing including targeting commodities for aggregation, reporting supplier performance, and monitoring spending patterns.

Training, Marketing and Communications: Procurement Services utilizes several avenues to inform campus constituents about new services, strategic contracts and training. These include the Procurement Services and Travel Services websites, campus email communications, training sessions, informational meetings and announcement on InsideND.

Supplier Relations: The University encourages and supports doing business with minority, women, veterans, disadvantaged, and small businesses. In accordance with this policy, Procurement Services is committed to developing a program that ensures these suppliers can participate in the competitive process to the extent possible. The program includes actively searching for these businesses, providing information on how to do business with the University, as well as the creation and maintenance of a database of participating suppliers. This would include the generation of reports to be shared with principal investigators, grant offices, community relations and executive leadership to help promote participation. It will also assist in meeting federal compliance requirements as applicable.

Code of Ethics

Individuals purchasing goods and services on behalf of Notre Dame shall conduct business in a manner that is consistent with both the Mission of the University and Procurement Services, as well as the Catholic principles on which the University was founded. Purchasing activities shall be conducted in a professional manner and all qualified suppliers are provided a fair and equitable opportunity to compete for University business.

Procurement decisions will be made with integrity and objectivity, free from personal bias or benefit. In addition, employees of Procurement Services as well as those faculty and staff purchasing goods and services as permitted under these policies shall conduct themselves accordingly.

The following practices, which might gain a short-term advantage, will damage Notre Dame's reputation and should not be used:

- Giving fictitious information regarding a competitor to extract similar terms from the supplier.
- Requesting bids without the intent to purchase.
- Letting one supplier see another supplier's proposal.
- Obtaining concessions by promising future orders, knowing such orders are unlikely or will never occur.
- Obtaining a sophisticated proposal from a supplier that took time and resources to prepare without intending to purchase from that supplier.
- Revealing a supplier's prices to another supplier and inviting that supplier to beat them. "Bid shopping" is highly unethical, gaining a one-time advantage at the expense of doing lasting harm to the reputation of the person and organization doing it. Procurement Services does not disclose price information to unsuccessful bidders. Bidders should feel assured that all aspects of a bid have been held in confidence.

Stem Cell and Human Tissue

In full accord with the Catholic Church's teaching as expressed in Dignitas Personae (The Dignity of the Person) and consistent with the teachings of the Catholic Church, the University of Notre Dame recognizes and upholds the sanctity of human life from conception to natural death. The University of Notre Dame prohibits research upon primary human tissue obtained through elective abortion and derived cell lines obtained through elective abortion. The University of Notre Dame had never, does not now, nor will it ever conduct or support human embryonic stem cell research. Researchers at Notre Dame use only adult stem cells and non-human embryonic stem cells and will never conduct embryonic stem cell research.

Conflict of Interest Policy

Procurement Services monitors any potential conflict of interest in the procurement process to ensure equitable and fair competition. Bidding and ongoing monitoring is conducted as the following:

- All University employees are to adhere to the University's Code of Ethics maintained by the Office of General Counsel available at <http://policy.nd.edu/assets/185215/conflictinterestpolicy.pdf>.
- Requirements for Proposal Evaluation Committee Certification – University members to review suppliers' offer certify they have

read University Code of Ethics, Conflict of Interest Policy and will provide notice to Procurement Services and General Counsel for adjudication.

- Any business or individual doing business with the University must disclose any perceived or known conflict of interest to University for review. Each contract and purchase order includes the right for the University to unilaterally terminate any order or contract in the event of a conflict of interest.

Methods of Procurement

A listing of preferred suppliers and methods of purchase is listed on the Procurement Services website. The purchase methods include Purchase Orders generated by the University's buyND e-Procurement system, purchases from approved suppliers using a University Procurement Card (Procard).

Details regarding each ordering method are as follows:

buyND e-Procurement System

buyND provides on-line requisitioning, catalogs, and punch-out capabilities to supplier websites. buyND is the preferred method of purchasing goods and services at the University, with exceptions identified for the Procurement Card program, check requisitions, and employee reimbursement.

Procurement Card

The ProCard program at the University provides an efficient way to purchase low-dollar business-related goods and services. The ProCard can only be used for unrestricted purchases less than \$1,500 when a supplier will not accept a purchase order.

The following are some examples of unallowable use:

<ul style="list-style-type: none"> • Purchases over \$1,500 	<ul style="list-style-type: none"> • Purchase from suppliers who are competitors of University strategic suppliers
<ul style="list-style-type: none"> • Purchases using Restricted grant funds 	<ul style="list-style-type: none"> • Research equipment
<ul style="list-style-type: none"> • Purchases using Federal funds 	<ul style="list-style-type: none"> • Purchases requiring a contract
<ul style="list-style-type: none"> • If a supplier is already in buyND 	<ul style="list-style-type: none"> • Drones
<ul style="list-style-type: none"> • Chemical purchases 	<ul style="list-style-type: none"> • Rental or purchase of scissor lifts
<ul style="list-style-type: none"> • Lasers and x-ray machines 	<ul style="list-style-type: none"> • Tent Rentals (over 200sf) & Canopies (over 400sf)
<ul style="list-style-type: none"> • Radioactive materials 	<ul style="list-style-type: none"> • Entertainment and stage rentals (>1000sf &/or 4' off the ground) permits are required.
<ul style="list-style-type: none"> • Pressure Vessels (Air tanks, Water tanks) larger than 5 gallons designed to hold liquid or gas at pressure above 15 psi or temperatures above 210 degrees F. 	

See the ProCard website for additional restrictions at procard.nd.edu.

Financial Toolkit

The [Financial Toolkit](#) should be used to request a payment to a business when neither of the first two methods are appropriate.

Employee Reimbursement

The University has implemented preferred tools and methods for the booking and payment of travel and entertainment:

- Concur/travelND: travelND is a comprehensive program that covers the travel and expense reimbursement process. Individuals use travelND/Concur to reconcile any business expenses incurred.

- The travel and meeting cards are managed by Procurement Services and are intended only for University business travel expenses and are not intended for personal use. Travel and meeting cards can only be used for specific use and not for personal or general items.

Bidding Policy

Procurement Services' responsibility for University expenditures dictates the following policy with regard to competitive bidding. This policy calls for evaluation of the best bids based on prices and other factors such as lease versus purchase or use of surplus property that are pertinent to the specific purchase. The following dollar threshold levels have been established to promote best value in a competitive bidding environment and increase the efficiency of the procurement process. The University has defined adequate competition as at least one offering after soliciting three or more sources.

For all the purchases the University requires:

- basis for supplier selection
- justification for selected or sole source purchases, and
- basis for the price of the purchase



Micro Purchases

For purchases less than or equal to \$10,000, requisitioning departments should follow their own judgment in identifying potential suppliers. Procurement Services can facilitate this process by supplying lists of preferred suppliers, negotiating discounts, and providing support as requested. Purchases may be made without cost or price analysis or soliciting any quotes or bids if the University considers the price to be reasonable. Under this method, awards are encouraged to be distributed among qualified suppliers.

Small Purchases

This method is for purchases above the micropurchase threshold but below the Simplified Acquisition Threshold (SAT) as defined by the Federal Acquisition Regulation—currently \$150,000, written quotations must be obtained from more than one qualified source. A formal bid and solicitation for quote is unnecessary – these are meant to be simple and informal. No cost or price analysis is required. Departments have two (2) options:

1. Request Procurement Services to solicit bids and provide a summary of results for the requisitioner's review and evaluation.

Procurement Services requires a minimum of two weeks for the bidding process.

2. Obtain three written bids and complete the Supplier Selection Form in buyND. Departments may be asked to submit these bids to Procurement Services for review. If there are limited sources of supply, colleges/departments are to provide sufficient justification for the purchase. If the college/department cannot identify three suppliers, Procurement Services should be contacted prior to requesting bids to help identify additional suppliers.

Purchases above the Simplified Acquisition Threshold

If the purchase is to exceed \$150,000, a formal bid process will be performed by Procurement Services. Procurement Services, where practical, must complete a price analysis and conduct competitive bidding procedures with at least three bids obtained and analyzed. Also, a Request for Bid (RFB) or Request for Proposal (RFP) should be initiated, as outlined in the Unrestricted Funds Bidding Policy section above. Procurement Services maintains all the documentation related to all purchases in excess of \$150,000, for audit purposes of cognizant funding sources.

Sealed Bids – Formal Advertising

Bids are publicly solicited, and a firm fixed-price contract is awarded to a bidder who has the lowest price and conforms to all the material terms and conditions. This method is used if bids may be solicited from two or more bidders with firm fixed price contract based upon a specific description and the selection may be made based on price. A cost and price analysis must be performed for these purchases.

Competitive Proposals

If the purchase is to exceed \$150,000, a formal Request for Bid (RFB) or Request for Proposal (RFP) will be performed by Procurement Services. This method is most appropriate in evaluating offerings when price alone is not the only factor. A fixed-price or cost-reimbursement type contract is desired.

Under this method, the following requirements apply:

1. RFPs must be publicized and identify all evaluation factors and their relative importance
2. Proposals must be solicited from an adequate number of qualified sources
3. A written method for evaluating and selecting suppliers
4. Contracts must be awarded to approved supplier

Sole Source

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. Product/service is only available from a single source;
2. Public Emergency Procurement
3. Federal Awarding Agency Authorization (the awarding agency specifically authorizes a non-competitive procurement after a written request from the Non-federal entity);
4. Inadequate competition after multiple attempted solicitations

Requisitioning departments should complete the Supplier Justification Form in buyND. Completion of the form does not guarantee that the proposed supplier will be selected. Procurement Services will contact the requestor in situations where the justification for a sole source or emergency purchase is in question and other alternatives appear to be available to meet the department's needs.

Bidding Procedures

The competitive bidding process for goods and services is useful for several reasons. The bidding process:

- allows the buyer to make an informed and objective choice among potential suppliers

- encourages competition among suppliers
- creates a standard for the buyer to compare price, quality, and service
- gives the buyer a list of qualified suppliers for future bids

The requisitioning department is encouraged to work with Procurement Services early in the requisitioning process. Quotations or sole source justification are required for all orders.

RFB Process

A request for bid (RFB) is an invitation for suppliers to bid on established standards or specifications that are:

- Generally for a one-time purchase of a product
- Driven primarily by pricing

Department Led Bids

For items less than \$150,000, departments can obtain bids from suppliers. The following are some tips on preparing bids:

1. Utilize bidding templates established by Procurement Services. All suppliers should receive identical copies of the RFB or RFP and any subsequent changes in the bid specification.
2. All suppliers must be notified in writing via an addendum if the bid specifications change. Every consideration should be given to allow sufficient time for all bidders to accommodate the requested changes, bid extensions are allowed if requested and appropriate. All suppliers should be notified of the extension in writing via addendum. If the deadline is extended for one supplier, it must be extended for all.
3. Specify a deadline for submitting all bids. The deadline should be reasonable to provide time for quality responses.
4. When the bids are received, the buyer should sign, date and indicate the time that each is received. All competitive bids are confidential and should never be used as a bargaining tool.

In all instances, colleges/departments must adhere to the University's ethical principles regarding purchasing goods and services.

Procurement Services Led Proposals

If the bid is over \$150,000, contact the Procurement Services person responsible for the commodity/service according to buy.nd.edu. Departments are encouraged to suggest suppliers if known. Procurement Services will manage the bid process and send prospective suppliers a written description of the goods or services needed on a standard RFB or RFP. This process ensures that all bidders receive the same information and the requesting department is relieved of the burdens of dealing with multiple suppliers. Special instructions and deadlines will also be communicated. Planning ahead for purchases, providing descriptions that are accurate and complete, and indicating any time constraints help this process move smoothly.

Procurement Services will evaluate the bids and submit a recommendation to the departments.

RFP Process

A request for proposal (RFP) is an invitation for suppliers to submit a proposal for a product or service based upon a concept or scope of work. RFPs:

- are more complex and lengthier than an RFB
- generally end up with long-term relationship
- have various selection criteria and includes items such as quality, company stability, price, reputation, and terms and conditions
- involve a selection/evaluation committee representing a cross-section of University constituents make selection

recommendation

- may request a Pre-Proposal Conference where suppliers are invited for a presentation and will have the opportunity to ask questions

RFPs request similar information contained in the RFB, but also request a statement from suppliers on how they plan to meet stated objectives and what unique contributions they would make towards achieving the goals outlined in the proposal. Suppliers shall be asked to outline how they plan to meet specific challenges the proposal, i.e., time constraints or on-site training for end users.

RFPs are broken into three (3) different categories: Procurement Services led, college/department led, or a hybrid. Procurement Services led bids generally involves commodity items or areas within the department. An example is office supplies. Departmental led bids involve complex commodities where specific knowledge is within a department. An example of this is any Human Resources RFP for benefits. In these cases, Procurement Services provides support regarding the RFP process, selection process, and supplier contact. Finally, some RFPs involve expertise from Procurement Services and colleges/departments (hybrid). An example of this is furniture, where Interior Design, Office of University Architect and Procurement Services each have expertise and would contribute to the specifications and performance requirements.

Bid/Proposal Evaluation

When evaluating bids/proposal, the requisitioning departments and Procurement Services shall give consideration to the selection criteria established by the departments in conjunction with Procurement Services. Evaluation factors must be publicized with their relative importance.

Typical criteria:

- Price
- Contract – Firm Fixed Price is preferred
- Bidder's record of performance, service, and references
- Ability of bidder to render value-added services (training, maintenance, etc.)
- Delivery schedule
- Warranty
- Terms and conditions
- Disposal value

For Sealed bids the lowest price bidder shall be selected. If the lowest offering is found unacceptable because of one or more factors above, the department manager/Procurement Services representative shall document a concise and factual justification for the decision in written form. The Director of Procurement Services has the ultimate responsibility for determining if the justification for the decision supports the decision should there be disagreement about the award.

The University reserves the right to reject any bids and award contracts in the best interest of the University. Disputes shall be directed to the Director of Procurement Services.

Requests for Qualifications

A Request for Qualifications (RFQual) is a method of soliciting competitive proposals that formally considers and evaluates factors to measure firms on the basis of demonstrated competency and qualifications. The Qualifications-Based Selection (QBS) method is conducted using an RFQual. Use of the QBS is limited and is different, primarily, from the RFP method in that the University first selects the highest-ranked respondent on technical factors and then negotiates price. QBS is made based upon the section referencing those special requirements/conditions in using RFQuals.

Unlike other methods, the QBS method does not use price as an evaluation factor. The University requests technical qualifications statements from prospective firms and then ranks the statements according to their qualifications as related to the project. The University then opens negotiations with the top-ranked respondent with intentions to reach agreement on a fair and reasonable price. If agreement cannot be reached, the University terminates negotiations with this respondent and proceeds to the next-highest rated respondent until a price determined to be fair and reasonable to both parties is obtained. Once negotiations have been terminated with a respondent, the

University may not go back to that respondent for additional negotiations – even if the next lower ranked respondent is higher in price.

Bidding Guidelines

Confidentiality of Bids/Proposals: In accordance with fair and sound business practice, all information supplied by suppliers in their bid(s) or proposal(s) must be held in strict confidence by the person evaluating the bid or proposal and may not be revealed to any other supplier or individual other than University personnel who are involved in the purchasing decision.

Late Bids/Proposals: All bids and proposals should be submitted electronically to assure that they are received prior to the submission deadline. It is the responsibility of suppliers to ensure that their bids are received by the responsible person no later than the appointed hour of the bid opening date as specified on the request for bid. Bids will be rejected if late unless an unusual circumstance, e.g., lack of competition should the bid not be allowed and the decision to accept a late bid is in the best interest of the University.

Errors in Bids/Proposals: Suppliers are responsible for the accuracy of their quoted prices and conditions. In the event of an error between a unit price and its extension, the unit price will govern. Bids may be amended or withdrawn by the bidder up to the bid opening date and time, after which, in the event of an error, bids may not be amended but may be withdrawn prior to the acceptance of the bid. After an order has been issued, no bid may be withdrawn or amended unless Procurement Services considers the change to be in the University's best interest.

Price Reasonableness: Reasonableness of a proposed price may be determined by comparison of the proposed price with prices found reasonable on recent previous purchases, current non-retail or commercial price lists, catalogs, advertisements, and similar items in a related industry. Also, reasonableness of price may be determined by a price or cost analysis.

Small Business and Subcontracting Plans

The University has developed a Master Subcontract Plan in accordance with federal requirements that will create an environment of improved competition and grow small businesses. Encouraging and including small businesses locally and beyond is a reflection of our value to improve our community and world.

Individual Subcontract Plans

The University will make a good faith effort to meet individual subcontract goals percentage when applicable to awarded contract and grant. Individual subcontract plans in the awarded contract or grant will note the total dollars budgeted for the purchase of supplies and services from Small, Small Disadvantaged, and Women- Owned Businesses in accordance with Federal Acquisition Regulation (FAR) 52.219-9.

- FAR 52.219-9 requires a Subcontracting Plan for Small, Small Disadvantaged and Women- Owned businesses for each contract in excess of \$700,000.
- Procurement Services, in conjunction with the Research and Sponsored Programs and the Principal Investigator, is responsible for developing the plan to establish goals for each contract proposal submitted.
- Prime contractors must agree to purchase a percentage of the supplies and services required for the performance of the contract from these businesses.
- The Individual Subcontracting Plan specifies:
 - Which items/commodities will be purchased from small and minority businesses?
 - The total dollars to be spent each with small and minority businesses.
 - The percentage of total dollars budgeted for supplies and services that these purchases represent.

Debarred or Suspended Suppliers: Supplier in Good Standing

Any supplier debarred or suspended by the federal government is not permitted to do business with the federal government, under government contracts or subcontracts (due to a finding of fraud, illegality or other reason) unless an exception is granted in writing by a government contracting officer.

Once annually Procurement has contracted with Visual Compliance to run a comprehensive analysis of all active suppliers to identify if any suppliers are out of compliance. After this analysis is completed, Visual Compliance will conduct a daily dynamic check on buyND supplier records. Additionally, during Procurement's Supplier Add process, each additional new supplier added to buyND will be screened by Visual Compliance which has a one-year daily dynamic screening process.

As part of selecting a bidder resultant of an RFP, the Procurement Specialist will review Visual Compliance to ensure the selected supplier is in good standing before making final selection. That supplier will be included in the daily dynamic screening.

Procurement Services through Visual Compliance verifies suppliers are not on the government's list of debarred contractors and documenting their efforts in accord with federal regulations. The University reserves the right to restrict purchases from a supplier that is on a federal debarment list or remains non-compliant with the University's licensing agreements.

1. If a supplier or potential recipient is found to be on the list of debarred, suspended or ineligible suppliers periodically issued by the U.S. General Services Agency, Procurement Specialists should contact the Requisitioner and attempt to find a different source of supply of the product or service.
2. If the Requisitioner / Procurement Specialist is unable to find an alternate source of supply, he or she will notify the Senior Director of Procurement Services, who will take appropriate action with the Principal Investigator and Research and Sponsored Programs.

Supplier Categories

Procurement Services negotiates strategic arrangements with suppliers to provide cost savings to the University. These suppliers can be broken down into three categories: Strategic, Preferred, and Approved. Please refer to additional detail on these categories below.

Strategic Supplier: A supplier that has been selected by Procurement Services to supply products and/or services to the University, and has agreed to provide deep discounts to the University, as well as excellent product and customer service. Specific criteria necessary for classification as a Strategic supplier include the following:

- Executed University-wide contract. Such contract includes a written discount pricing agreement on all University purchases through the term of the contract.
- Suppliers are held accountable for reporting spend information to Procurement Services on a consistent basis through the term of the contract
- Suppliers visit Procurement Services on a consistent basis to discuss spend activity and program initiatives
- Suppliers provide value-added services for the term of the contract (e.g., free shipping, on-site service representatives)
- For non-federal funded programs competitive bids are not required for purchases from Strategic suppliers regardless of the total purchase order dollar volume.

Preferred Supplier: A supplier that provided substantial benefits to the University through a university-wide contract, this which includes a discounted price agreement on all University purchases for the term of the contract. When products are not available from Strategic suppliers, Procurement Services encourages all University departments to order products and services from Preferred Suppliers if possible.

Approved Supplier: A supplier that has verbally agreed to provide catalog content and/or discounted pricing for the University, or whose business volume growth potential may result in a new university-wide discount pricing agreement.

Small Business/Diversity Supplier: A supplier that is certified by a recognized third-party certifying organization or a federal, state or local government certifying agency or program as meeting the specific program requirements of such organization or agency.

Contract Formation

Contracts are required for recurring or long-term purchases for materials, services, maintenance and repair, or special terms and conditions (e.g., software). Procurement Services will work with the departments, suppliers, and the General Counsel's office as needed to form contracts for goods or services. In accordance with 2 CFR 200.326 all contracts using any federal funds must contain the applicable provisions described in Appendix II to Part 200 - Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

Requisitions will be routed to the Contracts Team if they are for one of the following types of services:

- Catering
- Charters (buses, planes, boats, etc.)
- Consulting
- Speakers, entertainers or performers whose appearances have negotiated terms
- Software licensing
- Web design
- Any supplier who will access, create, store or transmit any Prohibited, Restricted or Confidential data
- Rental of space
- Projects conducted outside the U.S.
- Hotel and travel agreements
- Maintenance

Purchase Order Changes

The objective of the purchase order change notice procedure is to implement an efficient process that maintains the integrity of the requisitioning workflow approval process. Changes in an issued Purchase Order (PO) are to be completed through the use of a Change Order. Payment amounts should ultimately match PO amounts, within a tolerance indicated in this policy. Above this tolerance is a material change and a Change Order is required. A material change is a change in price, quantity, description or removing a line item.

This policy is informed by Procurement Services policies predicated upon guidance from Title 2 CFR and Generally Accepted Accounting Principles. This policy applies to everyone working at the University, or working on behalf of the University, who manages any aspect of purchasing activity with University funds.

University Purchase Requisitioner and Administrators have the primary responsibility for purchasing and have an obligation to be familiar with the requirements outlined in this policy.

Procurement Services with the approval of the Vice President for Finance and Accounts Payable maintains a table of these tolerances listed below.

A Change Order is necessary if:

Micro Purchase Threshold Orders \$0 to \$9,999	Small Purchase Threshold Orders \$10,000 to \$149,999	Simplified Acquisition Threshold Orders over \$150,000
A change order is necessary if:	A change order is necessary if:	A change order is necessary if:
Increase over \$500 or greater than 10% of the total	Any increase over \$500	Any increase over \$500
Freight or shipping added to invoice exceeds \$500	Freight or shipping added to invoice exceeds \$500	Freight or shipping added to invoice exceeds \$500
Supplier initiated change	Supplier initiated change	Supplier initiated change
Material change(s) to PO (See above definition)	Material change(s) to PO (See above definition)	Material change(s) to PO (See above definition)
Change in FOAPAL	Change in FOAPAL	Change in FOAPAL

Any PO changes will require same approvers as on original requisition.

A Change Order is not necessary if:

Micro Purchase Threshold Orders \$0 to \$9,999	Small Purchase Threshold Orders \$10,000 to \$149,999	Simplified Acquisition Threshold Orders over \$150,000
No changes are necessary if:	No changes are necessary if:	No changes are necessary if:
Increase less than \$500 or not greater than 10% of the total	Any increase less than \$500	Any increase less than \$500
Decreasing value of PO	Decreasing value of PO	Decreasing value of PO
Freight or shipping added to the invoice less than \$500	Freight or shipping added to the invoice less than \$500	Freight or shipping added to the invoice less than \$500

Multiple FOAPAL changes are handled by a journal voucher not a PO change. [See Financial Toolkit via InsideND.](#)

You are requesting to remove an encumbrance. Instead, email acctpay@nd.edu and ask them to release the balance.

A new Purchase Order is needed:

Micro Purchase Threshold Orders \$0 to \$9,999	Small Purchase Threshold Orders \$10,000 to \$149,999	Simplified Acquisition Threshold Orders over \$150,000
A new PO needed if:	A new PO is needed if:	A new PO is needed if:
More than 1 additional line item	More than 1 additional line item	More than 1 additional line item
Exceeds threshold of \$10,000 call Procurement	Exceeds threshold of \$150,000 call Procurement	

Call Procurement Services for any change in PO amount that exceeds a Purchase Threshold.

Supplier Performance Oversight

The University monitors Strategic suppliers to ensure they perform in accordance with the terms and conditions of contracts and purchase orders by periodic performance reviews with suppliers and University end users.

The University as the legal entity issuing contracts and agreements with suppliers and contractors encourages responsible stewardship from any funding source. Each agreement address remedies in instances where contractors violate or breach contract terms. To ensure supplier and contractor performance in accordance with terms and conditions of any agreement, the University will assess the ramification of a potential breach or violation by a supplier or contractor, and the University will take necessary steps to employ appropriate legal remedies, such as cancellation, sanctions or penalties.

Automatic Purchase Order (APO)

The Automatic Purchase Order (APO) facilitates quick placement of small, routine orders. The APO is to be used as a single, one-time transaction and the total dollar amount of goods/services for any single APO cannot exceed \$9,999.99. The use of the APO means the departmental user accepts and is responsible for compliance with all Notre Dame policies.

Delegation of Authority (Signature Authority)

Unless authority has been granted to an individual by the University, all contracts, deeds and other legal instruments made in the ordinary course of the business of the University must be executed by the President of the University or one of his/her designees as determined by the [Operational Delegation of Authority](#).

A properly executed purchase order constitutes a contract that is binding to both the University and the supplier. Some suppliers may

also require accompanying terms, conditions, agreements or forms. In all cases, these agreements are to be signed by a Delegate of Authority in advance of any commitment to purchase to a supplier. All documents without an authorized Delegate of Authority signature will be considered invalid and not binding upon the University.

Contract amendments are changes to the agreement mutually agreed upon by the University and supplier. Any contract amendment requires the approval/signature of the same individual (or, as necessary, the individual in that same capacity) as reflected in the Operational Delegation of Authority. If an amendment increases the agreement cost or value that exceeds the level of delegated authority in the then current Operational Delegation of Authority, only an individual with appropriate authority to authorize the University's increased financial obligation may approve/execute the contract amendment.

Receiving

The primary shipping address for the University is Central Receiving, 100 Mason Services Building, Notre Dame, IN 46556. Central Receiving accepts large freight (e.g., semi-trailer loads), radioactive material, and any other required packages, will continue to be delivered to Central Receiving and then scheduled for delivery to campus. Small parcels on a daily basis from carriers such as DHL, FedEx, UPS will be delivered directly to departments across campus. Deliveries to requestor's office, lab, or end-user's department loading dock should be done only in accordance with the following guidelines:

- A strategic contract specifies desktop or department dock delivery;
- Overnight deliveries;
- Supplier delivery of specialized products which require immediate special handling.

Packages should be carefully examined for any visible evidence of damage, particularly if the purchase is fragile or costly.

The timely payment of purchase order invoices is a priority for the University and payment of supplier invoices are set according to agreed upon payment terms during registration and ongoing negotiations.

Suppliers are directed to submit all purchase order invoices to invoice@nd.edu or via mail to 725 Grace Hall to Accounts Payable for processing. Accounts Payable is responsible for processing invoices and issuing payments for companies.

Accounts Payables verifies that the quantities and prices on the invoice match the related purchase order and that the items have been received by the end user in buyND. Receiving is the authorization for Accounts Payable to pay the supplier's invoice. Receiving should be done one to three business days after physical receipt of most items. Receiving on high-cost items can wait until the items and their conditions can be verified.

Damaged Shipments and Shortages

Under Interstate Commerce Commission regulations, damaged shipments cannot be refused unless totally destroyed or unless the broken contents would cause contamination. If the shipment is refused, the supplier or shipper could dispose of the shipment, making it very difficult for the buyer or end user to initiate a successful claim. Any damage to the package, no matter how slight, should be noted on the carrier's and receiver's delivery receipt. If the shipper is unwilling to wait while the contents of the package are inspected, the receiver should note on the delivery receipt that the condition of the contents is unknown. If concealed damage is discovered during unpacking, stop unpacking, notify the shipper, and request an immediate inspection. Save damaged packaging and cartons for the shipper's claims inspector and, if possible, photograph the damaged shipment.

Initiating a Claim

The shipper's main office should be notified in writing within 15 days of receipt of the damaged merchandise. The formal claim letter should:

- describe the damage

- give the date the shipment was received
- include a copy of the delivery receipt with the shipper's signature and the receiver's description of the damage
- provide the name of the supplier
- include a written estimate from the supplier of the costs to replace or repair the damaged items
- provide a copy of the supplier's original invoice
- provide copies of all correspondence pertaining to the claim

The Interstate Commerce Commission requires the shipper to acknowledge the claim within 30 days and to offer a settlement within 120 days. When terms are F.O.B. Destination, the buyer or end user should notify the supplier immediately so that the supplier can file a claim.

Returning Goods to the Supplier

Goods should not be returned without first notifying the supplier. Some suppliers require the buyer to obtain a Return Authorization Number (RA or RMA) and have procedures as to how and when a return shipment should be made. Every effort should be made to utilize our preferred package carrier if we are responsible for the cost. Some suppliers may also charge a restocking fee to offset the cost of returning the item to inventory. The buyer or end user should keep a record of the name of the individual authorizing the return, the authorization number and date, notes of any conversations with the supplier authorizing the return, the date the shipment was returned, the name of the carrier, and the supplier's complete address and the name of the individual receiving the returned goods. If the item being returned is expensive or fragile, it should be insured. Contact Procurement Services for further information.

Special Purchases

Vehicles

Contact [Transportation Services](#) regarding vehicle purchases.

Hazardous and Safety Materials

The University and the Radiation Control Committee are responsible for all individuals using radioactive materials and their subsequent activities; and, therefore, only individuals approved by the Radiation Control Committee may obtain radioisotopes. If the radioactive material is to be acquired from an outside source, the requisition MUST first be sent to the Risk Management and Safety Department for validation and recording prior to submitting the Byproduct Material Requisition to Procurement Services for processing.

All orders on radioactive materials shall be shipped to the Central Receiving/Douglas Road and must contain an attention line Risk Management and Safety/Dr. (name of responsible individual requisitioning materials). All the packages shall be investigated by the Risk Management Office for leakages, contamination, and for accordance to the Requisition form, prior to the release for delivery.

To obtain the Byproduct Material Requisition form and the full-length text of the University of Notre Dame Radiation Safety Manual and for all inquiries concerning radioisotope procurement please contact Risk Management and Safety Department at 636 Grace Hall, (574) 631-5037.