**Indiana University Purchasing Policies (Short Versions)**

[**Purchasing Authority**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-1.0-purchasing-authority.shtml)**:** Purchasing authority is vested in the Board of Trustees of Indiana University and delegated through the President and the Vice President and Chief Financial Officer to the Associate Vice President of University Procurement Services. Only authorized Indiana University personnel may commit University funds for goods and services.

[**Signature Authority**](http://policies.iu.edu/policies/categories/financial/treasurers-office/FIN-TRE-VI-100-signature-authority-and-delegation.shtml)**:** No officer, agent, or employee of the University has the authority to sign contracts or other agreements on behalf of the University or any unit, department or subdivision of the University in the absence of a formal delegation of authority as described in the following three paragraphs. This policy applies to all documents that obligate the University, irrespective of the title or designation of the document; e.g. “contracts”, “agreements”, “memorandum of understanding (MOU)”, “memorandum of agreement (MOA), and “purchase orders”, are all covered by this policy. Refer to the Definitions section of this policy for a more detailed description of documents that are covered by this policy.

[**Competition**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-5.0-competition.shtml)**:** To secure timely delivery of goods and services for the University at the most cost-effective price and to encourage competition while promoting ethical business practices with all parties. Single requirements under $5,000 need not be bid. The purchasing professional may use his or her discretion regarding bidding single requirements with a net cost of less than $5,000. Competitive quotes shall be solicited for requirements of over $5,000 or appropriate justification shall be provided to document exceptions.

[**Negotiation**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-5.3-negotiation.shtml)**:** In a limited number of instances, the process of negotiation provides the best vehicle for establishing a working relationship including the price for a product or service. Where appropriate, University Procurement Services may use negotiation as an additional tool for establishing the best outcome. This process requires the prior approval of the Associate Vice President, University Procurement Services.

[**Award Criteria**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-5.5-purchase-order-award-criteria.shtml)**:** Awards shall be made employing a combination of the following criteria:

* Degree to which the item(s) or service quoted will best fill the University's requirements
* Price includes freight, payment terms, and life-cycle costing
* Delivery date
* Service
* Expertise
* Everything being equal, purchase will be made from local, state and U.S. vendors, in that order

[**Endorsement**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-8.0-endorsement.shtml)**:** No purchasing department shall endorse vendors, their products, or services. Exceptions to this policy must be approved by the Vice President and Chief Financial Officer.

[**Reciprocity**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-3.2-reciprocity.shtml)**:** Purchasing awards will be made on the merits of the purchasing process and not influenced by considerations outside of the purchasing environment. Indiana University personnel will not participate in reciprocal purchasing arrangements. Indiana University shall continue to separate purchasing considerations from the objectives of fundraising endeavors of the institution.

[**Restricted Items**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-10.0-restricted-purchases.shtml)**:** Restricted purchases include:

* Items considered personal in nature
* Alcoholic beverages (except as approved for authorized research or academic purposes)
* Flowers
* Retirement Gifts

[**Release of Information**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-11.0-release-of-procurement-information.shtml)**:** In regards to procurement transactions, Indiana University shall comply with the provisions of the Indiana Access to Open Records Act and any other applicable state or federal law or regulation governing the release of information.

* Release of information may be subject to review of counsel prior to release.
* Information related to procurement activities may only be released by purchasing department personnel. University procurement data may only be released by permission of the Assistant Vice President, University Procurement Services.
* Information regarding pricing and competitive offers will be released by the purchasing department only after an order has been placed and accepted by the selected vendor.
* Proprietary information covered by a signed non-disclosure certificate will not be released.
* Institutional procurement data shall not be used in a manner that conflicts with the Reciprocity, FIN-PUR-3.2 policy

[**Historically Underutilized Suppliers**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-13.0-purchases-from-historically-underutilized-suppliers.shtml)**:** Indiana University is committed to providing historically underutilized suppliers every opportunity to compete for its business. Efforts will be made in the purchasing departments to identify historically underutilized suppliers, inform these suppliers of University requirements, and solicit quotes from such suppliers whenever possible. Procurement professionals will support the efforts of the Business Diversity Program and will communicate with historically-underutilized suppliers regarding the purchasing process so that they may become more viable suppliers.

[**Disposal and Redistribution of University Property (surplus)**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-14.0-disposal-and-redistribution-of-university-property.shtml)**:** When an item no longer is wanted by a user department, University Procurement Services or the appropriate property designee of the campus, will attempt to redistribute the item within the University, based on equitable criteria and utilizing the appropriate mechanisms. Should there be no need for the item within the University, then it may be sold or traded outside of the University. Unusable property or parts that can be sold for junk will be accumulated and sold by University Procurement Services or through IU Surplus Stores. Usable property which cannot be relocated with a University department will be disposed of in accordance with Indiana University procedures.

[**Strategic Alliances**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-15.0-strategic-alliances.shtml)**:** The University may, from time to time, identify an opportunity to develop a strategic relationship with a company that does not lend itself to the traditional procurement practices. The relationship may be crucial to the University and should be permitted to develop without the processes typically associated with the procurement process. In the event that the Executive Leadership of the University determine that a company is uniquely positioned to provide the University with a strategic relationship that will be mutually beneficial, the Associate Vice President, University Procurement Services will verify the company’s market position and the potential opportunities for the University. The Associate Vice President, University Procurement Services will facilitate the process that culminates in an agreement.

[**Auctions and Reverse Auction**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-18.0-auctions-and-reverse-auction.shtml)**:** In the event that University Procurement Services identifies that a transaction utilizing an auction process best serves the interests of the University, the purchasing department may utilize or authorize the use of an auction transaction. University employees must secure *prior* approval from the purchasing department to conduct such transactions.

[**Procurement of Appliances and Electronics**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-19.0-procurement-of-appliances-and-electronics.shtml)**:** The University is committed to reducing its energy consumption and to containing its costs related to energy consumption. All energy consuming products, appliances and equipment purchased by the University shall be Energy Star qualified whenever possible or practical.

[**University Procurement Contracts**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-20.0-university-procurement-contracts.shtml)**:** University faculty and staff will use established contracts for goods and services when available. University employees should purchase goods and services through these contracts in order to consolidate the University's transactions. Consolidating spend permits the University to negotiate agreements offering greater discounts, better service and additional guarantees. Book purchases are excluded from this policy.

[**Non-Solicitation on Campus**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-21.0-non-solicitation-on-campus.shtml)**:** This policy places certain restrictions on commercial solicitation within buildings and facilities as well as on the grounds of Indiana University campuses or under the operating authority of the University to ensure that university employees and students have the opportunity to perform their duties free from intrusions. University students, employees, and volunteers, as well as all vendors and other non-University individuals, entities and their representatives may not engage in the following activities:

1. Commercial Solicitations (including distributing any kind of written or printed materials, sales of goods or services, including foods, buy back of books, etc.) on University property at any time. Exceptions to the Non-Solicitation Policy must be approved by the Office of Procurement Services.
2. Door to door solicitation or commercial activity, unless specifically approved in advance.

[**NAEP Code of Ethics**](http://policies.iu.edu/policies/categories/financial/purchasing/FIN-PUR-3.1-code-of-ethics.shtml)**:** Indiana University requires that all professional purchasing employees, Fiscal Officers and their delegates authorized to conduct purchasing activities adhere to the principles and standards promulgated by the National Association of Educational Procurement (NAEP) Code of Ethics. The NAEP code of Ethics is as follows:

* Give first consideration to the objectives and policies of my institution.
* Strive to obtain the maximum value for each dollar of expenditure.
* Decline personal gifts or gratuities.
* Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
* Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
* Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
* Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
* Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
* Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
* Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
* Foster fair, ethical and legal trade practices.
* Counsel and cooperate with NAEP members and promote a spirit of unity and a keen interest in professional growth among them.

Link to Policies: <http://www.indiana.edu/~purchase/policies/policies.shtml>

IU Purchasing Home Page: <http://www.indiana.edu/~purchase/>