

Ball State University
Purchasing Department
Policy: Bid Policy and Approval Structure PUR240

General

This policy outlines the requirements for competitive bidding and the approval structure for Requisitions and Purchase Orders. For explanation purposes, procurement card and DPO limits are also summarized, but users should refer to the policies covering those topics for specific guidelines when using those purchasing methods.

Policy

1. Procurement cards and DPOs will have a per transaction limit of \$1,000. Procurement card spend per card will have an aggregate monthly limit of \$7,500. For specific reviews and controls refer to policies PUR220 for DPOs and PUR225 for procurement cards.
2. Requisitions and successive purchase orders will be subject to the approval policy outlined below for the purchase of materials, commodities, supplies, equipment or services per the estimated or actual dollar values:

\$1-\$1,000	Purchases for items other than office supplies (must use office supply contract when possible) that totals \$1,000.00 or less should be purchased by a Department Purchasing Order (DPO) or on the university's purchasing card when possible. If a purchase order must be issued, submit a requisition to Purchasing for processing.
\$1,001-\$7,500	Purchases in this range are subject to Purchasing Agent review and competitive bidding. However, if a product or supplier has been determined reasonable, technically sound and advantageous by previous surveys of the market, the competitive bid may be waived.
\$7,501-\$15,000	Competitive quotations are strongly desired. Decisions not to competitively bid will be justified by the Purchasing Agent and may require a sole source justification form from the requesting department. Purchases in this range will be subject to approval from the Director of Purchasing or the Director's designee.

Over \$15,000	Competitive quotations are required by Resolution of the Board of Trustees when practical. If this option is neither feasible nor possible the explanation of the circumstance and completion of the sole source justification form may be required with the requisition as a supporting document. Purchases in this range will be subject to approval from the Director of Purchasing or the Director's designee and the Finance Office.
---------------	---

3. Services means the furnishing of labor, time or effort by a person, not involving the delivery of specific supplies other than printed documents or other items that are merely incidental to the required performance. The procurement of services may be waived upon approval for the purchase of services as a single source award when it is estimated that the purchase will require an expenditure of more than \$15,000 up to \$25,000 with the prior approval of the Vice President of Business Affairs and Treasurer or the Associate Vice President, Finance and Treasurer.
4. Depending on the type of purchase (i.e. grant, computer purchase, etc.) other policies and approvals may take precedence over or be in addition to this policy.
5. Purchases for the construction or repair work of buildings and structures shall be governed by the Public Works Process.

Responsibility:

Department Heads
Purchasing Department
Finance Office

Other Departments Affected:

All BSU departments