

2301 Authority and Responsibility for the Purchase of and Payment for Products & Services

Subject: Procurement/Disbursements

Title: Authority and Responsibility for the Purchase and Payment for Products & Services

No.: 2301

Effective: December 1986

Revised: July 2006

Last Reviewed: May 2007

Responsible Office: Purchasing Services

Approval: Office of the Comptroller

Purpose

To assign authority and responsibility for the purchase of and payment for products and services.

Policy

1. The Director of Purchasing Services and the Comptroller will establish and maintain policies and procedures to provide for the efficient and responsible conduct of all procurement and disbursement activities.
2. Purchasing Services, in conjunction with the Office of the Comptroller, is responsible for enforcing University procurement and disbursement policy.
3. The Director of Purchasing Services has the authority and responsibility to:
 - a. Negotiate all procurement terms and execute all purchases of goods and services unless otherwise prohibited by University statutes or policy or Trustee action; and
 - b. In conjunction with the Office of the Treasurer, determine and recommend, when appropriate, the potential benefits offered by a lease as compared to the purchase of equipment in accordance with Financial Policy #2311 – Procurement of Equipment.
4. No employee of the University, except as authorized by the Trustees of the University of Pennsylvania, the statutes of the University or President's letter of delegation, is empowered to incur any obligation or make any commitment on behalf of the University for the procurement of products, services, or equipment unless approved in writing by the Director of Purchasing Services.
5. The BEN Buys Purchasing System and MasterCard Purchasing Card are the University approved buying methods for purchases from external suppliers. Use of the appropriate buying tool must be in compliance with guidelines listed in the BEN Financials Commodity Matrix. Purchase approval authority, for purchase orders < \$5,000 and Purchasing Card transactions (within card specific transaction limits), has been delegated to authorized faculty and staff.

6. Officers or departments other than Purchasing Services that have been delegated the responsibility for procurement of certain goods and services must procure those goods and services in accordance with University procurement policy. Procedures governing procurement in these areas are subject to prior review and approval by the Director of Purchasing Services.
7. All purchases must be made for the purpose of University-related activities. Purchasing any goods or services for personal use is prohibited.
8. Purchasing Services and the Office of the Comptroller are responsible for maintaining records of all procurement and disbursement transactions. University faculty and staff who have been authorized to use a Purchasing Card (see Policy #2303 - Use of Purchasing Card) are responsible for maintaining records of all procurement credit card transactions.
9. Purchasing Services and the Office of the Comptroller are responsible for responding to all external audit findings or agency inquiries concerning procurement and disbursement issues.