
PURCHASING

Purpose:

To establish policies and procedures governing purchases made with University funds.

Additional Authority:

Idaho Division of Public Works, <http://adm.idaho.gov/>

Idaho Department of Administration, <http://adm.idaho.gov/purchasing/stwidecntrcs.html>

Idaho Code 59-1026

Idaho Code 67-5718(3)

Idaho Code, Section 67-5717(12)

Division of Purchasing Rules, IDAPA 383.05.01

Scope:

Applies to all purchases made with University funds.

Responsible Party:

Purchasing – 426-1283

I. Responsibility

A. Purchasing Department: Within the University, the Purchasing Department is vested with the responsibility for the procurement of all University equipment, supplies, and services. The Department functions as a service department and provides assistance to all University departments, research activities, and auxiliary enterprises with procurement of high quality goods and services at the lowest possible cost. The Purchasing Department provides professional procurement advice to departments, expedites the purchase of critical goods and services, and ensures that the University meets the fiscal and legal requirements of the State of Idaho.

B. Facilities, Operation and Maintenance Department: If equipment that a department intends to purchase is unusually large or heavy, or if it will require special connections or power supplies, the proposed purchase must be reviewed by the University's Facilities Director or designee prior to the submission of the requisition. The same applies to services that will involve modifications to an existing building, the grounds, or construction of a new building. In these cases, the Facilities Director may conclude that the installation of the equipment or the service is a State of Idaho Division of Public Works (DPW) project. If so, the

purchase is not the responsibility of the Purchasing Department; and separate rules, procedures, and delegated authorities apply.

C. Faculty, Staff and Students: All faculty, staff and students at Boise State University are required to adhere to the intent and spirit of these policies and directives. They are designed as a means to acquire the necessary goods and services as effectively and economically as possible, while also maintaining compliance with the laws of the State of Idaho. Any effort to circumvent or abuse State and Boise State University purchasing regulations and policies or procedures will not be condoned and is subject to disciplinary action up to and including dismissal.

D. Sponsored Projects: Purchasers using sponsored project funding should also be aware of specific agency requirements that could require procedures or documentation in addition to Boise State Purchasing Policy.

II. Process

A. Authorization to purchase or negotiate: Unless otherwise stated, the Boise State Purchasing Department is the only University organization authorized to initiate, conduct, and/or conclude negotiations concerning the purchase of materials, equipment, supplies, and services for the University; obligate the University to accept or pay for the supply of goods or services; or sell, dispose of, return for credit, or trade in property.

1. Purchase requirements. Orders or commitments by the faculty or staff are not binding on the University unless supported by a valid purchase order (PO), an approved contract, or the authorized use of an institutional procurement card (P-card). Individuals who place orders without a valid PO, approved contract, or authorized P-card will be expected to reimburse the University unless otherwise approved by a vice president or designee.
2. Real property leases and rentals. All real property leases and rentals are handled by the Facilities Department. (See Section IV. Leasing, Rentals of Equipment, and Time Purchases below.)

B. Delegated authority: The Purchasing Department may delegate responsibility to selected University departments or individuals within a department. Such delegation must always be made in writing, will be reviewed periodically, and may be withdrawn at any time.

C. Funds availability: No purchase order shall be initiated unless funds are available to cover estimated costs. The Purchasing Department may not commit University funds without the support of a properly approved requisition.

D. Prohibition of purchases from employees: State Board of Education rules and policies and Idaho Code prohibit purchases from State employees.

E. Purchasing Department review: The Purchasing Department has full authority to question the quality, quantity, and types of goods, materials and services requested, as set forth by law and by the State of Idaho governing bodies. Purchase requests may also be subject to review by Boise State identified specialists and/or approval by statutory authorities.

F. Vendor selection: The selection of vendors and sources is the responsibility of the Purchasing Department. Vendors may be suggested by departments, and will be considered in making purchasing decisions.

G. Advance payments: Advance payments are usually not allowed unless approved by the Purchasing Director. Exceptions include payments to certain government agencies, some subscriptions, training and conference registrations, and membership dues.

H. Problem resolution: Contact the Purchasing Department with any problems concerning quotations, orders, deliveries, loss or damage, returns, or follow-up on a purchase. Supporting documentation for the purchase and the associated problems should be maintained in departmental files and/or forwarded to the Purchasing Department.

I. Employee reimbursement: The use of personal funds for business-related non-travel purchases is strongly discouraged. However, employees may be reimbursed for a maximum of \$300 when it is necessary to purchase business-related goods and services with personal funds. Documentation required for reimbursement shall include an original paid itemized receipt and a full description of the items purchased. Other information should include the business purpose of the expenditure, dates, places, and other pertinent information. The request for reimbursement must be timely, usually within ten (10) days of return. Reimbursement is subject to department approval and availability of funds. In addition, reimbursement can only be made if the items purchased with personal funds were not restricted in any way, and were obtained from a source with which Boise State would normally be permitted to do business. (See also Boise State University Travel policy 6180.) Purchases made with gift cards or gift certificates are not eligible for reimbursement.

J. State contracts: State of Idaho has established mandatory and optional procurement contracts for a variety of goods and services. Mandatory contracts must be used by all state agencies. Optional contracts provide departments with established pricing along with the State of Idaho terms and conditions without the need for bidding. A complete list of state contracts can be found on the Department of Administration's website at <http://adm.idaho.gov/purchasing/stwidecntrcs.html>

K. Computing Standards: Computer hardware, software, and related technology purchases, except for the purchase of such items by academic units for academic purposes, are subject to approval by the Office of Information Technology. Purchase of such items for academic purposes requires the approval of the Dean of the appropriate college or their designee.

III. Procurement Procedures for Goods and Services

A. Under \$2,000:

1. **Use of P-Card.** The State of Idaho P-Card is the University's preferred method for making most small dollar purchases. (See Boise State University P-Card policy 6140.)
2. **State contracts.** State and Boise State contracts must be used when available.
3. **Local vendors.** Departments are encouraged to use local vendors whenever possible.
4. **Web vendors.** Care should be taken when purchasing from unknown vendors over the Web.
5. **Services.** The purchase of services, from an individual, is not permitted by P-Card. (See Boise State University Independent Contractor Services policy 6150.)
6. **Printing.** For printing purchasing requirements see section VII.
7. **Leasing and rentals.** For Leasing and rental requirements see section IV.

B. Between \$2,000 and \$5,000:

1. **Purchase orders.** The contract for the purchase of goods and many services will normally be through a Boise State Purchase Order.
2. **Bidding.** While bidding is not required, the Purchasing Department will bid those purchases where bidding is advantageous or indicated by good business practice.
3. **Services.** Contracts for Services are subject to Boise State University Independent Contractor Services policy 6150.
4. **Signature authority.** Contracts may only be signed by an individual with "signatory authority". (See Boise State University Contractual Agreements policy 6030.)

C. Services – Under \$75,000 and for 12 months or less (Refer also to D below):

1. **Purchasing Department review.** Purchasing will review, monitor, and/or approve all contracts exceeding \$5,000 and contracts with vendors having multiple contracts totaling more than \$5,000.
2. **Contracts for Services.** All contracts for services will be for a "fixed" or "not to exceed" price. An exception is a blanket contract against which "fixed" or "not to exceed" addendums or purchase orders are issued.
3. **Bidding.** Most general services are subject to bidding when the total value exceeds \$5,000. The contractor provides parts, labor, and tools. These usually require specialized knowledge or training. Work generally involves the production or repair of a product and uses the contractor's own methods, within established guidelines for the area of expertise. Examples are: graphic design, copywriting, public opinion surveys, equipment maintenance and repair services and agreements, etc.
4. **Construction and repair.** Construction and repair services for buildings and grounds are subject to Division of Public Works (DPW) rules and procedures. This includes carpet, window coverings, and most projects that attach to a building or penetrate a wall. Contact Facilities, Operations, and Maintenance for assistance with purchasing these services.
5. **Services not allowed.** Independent contractor services provided by an individual that are normally performed by classified, student, or temporary employees are not allowed. (See Boise State University Independent Contractor Services policy 6030.)
6. **Services allowed without bidding.** The following are services costing less than \$75,000 that may be acquired without competitive bidding in accordance with good business practice and in the best interests of the state.

a) **Professionals:** medical, legal, engineering, etc.

Usually requires advanced degrees and licensing or certification; involves evaluations, reports, drawings, or studies; and uses the contractor's own methods, within the guidelines of the profession.

b) **Consultant:** research, accounting, etc.

Usually requires advanced knowledge or training; involves consultations, reports, or specialized work product; and uses the contractor's own methods, within established guidelines for the area of expertise.

c) **Presenters:** speakers, entertainers, workshop leaders, guest lectures, etc., for non-credit programs.

Usually requires and is based on the contractor's advanced skills, specialized knowledge or experience, viewpoint, etc., and uses the contractor's own methods.

d) **IT Services:** Consultants, programmers, web designers OEM software and hardware maintenance and support and software license renewals, excluding the initial purchase.

Note: Good business practice and good public relations dictate that care should be taken when contracting for IT services where there is competition among the local vendor pool.

D. Property or services, single purchases, between \$5,000 and \$75,000:

1. Single purchases of property or services, under \$75,000 are purchased or procured by the Purchasing Department. Costs are determined based on the cost of the one-time purchase of property or the total cost of a contract for services, including renewal or extension periods. The splitting of requirements to avoid bidding procedures is not permitted (Idaho Code 59-1026). All purchases over \$5,000 require a minimum of three (3) competitive solicitations from vendors with a significant Idaho economic presence as defined by Idaho Code 67-5718(3).
2. Public notice. All bids will be publicly posted. Posting will generally be in electronic form using the Division of Purchasing electronic bid system.
3. Open bidding. All requests are open to all interested vendors. Any vendor may participate in the bid process and submit a bid in response to Boise State's request.
4. Bid award:
 - a) Low bid. Bid award will generally be made to the responsible vendor submitting the lowest cost bid meeting all of Boise State's needs and requirements.
 - b) Best value. Bid award may be made to the responsible vendor submitting the bid providing the best value to Boise State. Objective factors may include, but are not limited to: product availability, delivery time, total cost of ownership, or varying levels of functionality. Factors used must be quantifiable and not subjective. If factors are identified during bid evaluation that are not identified in (or significantly change) the specifications, bidders may be given the opportunity to amend their

bids to adjust for the changes. In some cases it may be necessary to reissue the bid with revised specifications.

c) Weighted or subjective evaluation. Bid award may be made to the responsible vendor submitting the bid receiving the greatest number of points based on evaluation criteria identified in the bid specifications. The criteria used may be both quantifiable and subjective.

d) Acceptance of other than low bid. Justifications for acceptance of other than low bid must be documented in clear and concise terms and include sufficient detail to support this decision. Information provided must identify the specific reasons that the rejected bid did not meet the original specifications, and how the rejected bid fails to perform the essential functions required by the department. An authorized person from the department requesting the purchase shall approve justifications. The Purchasing Department will determine if the justification is sufficient to warrant formal rejection of the low bid.

5. Small, minority or disadvantaged business. Positive efforts shall be made to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible.

E. Property or services, single purchases over \$75,000:

1. Single purchases of property or services over \$75,000 are purchased or procured with formal methods. Costs are determined based on the cost of the one-time purchase of property or the total cost of a contract for services, including renewal or extension periods. The splitting of requirements to avoid bidding procedures is not permitted (Idaho Code 59-1026).
2. Formal solicitations. Formal solicitations are called Invitation to Bid (ITB) or Request for Proposals (RFP). They contain specifications, terms and conditions, instructions to bidders, evaluation criteria, bidding sheets, and signature pages. They require public notification and sealed bid responses from bidders to be opened publicly at specified times. They may also be electronically distributed and responded to by vendors by utilizing the Internet.
3. The Request for Proposal is a competitive formal sealed process that is legally binding and evaluated according to predetermined weighted standards. The RFP outlines the purpose, scope, description, minimum requirements or expectations, qualifications or capability of the proposer's, evaluation criteria, and other requirements. In the RFP response, the vendor offers a solution for the particular need described in the RFP. The RFP allows for discussions with vendors to explain or clarify proposals in a

“Best and Final Offer” and allows for negotiations in accordance with Idaho Code, Section 67-5717(12). (See also Rules of the Division of Purchasing 38.05.01; subsection 084 "Negotiations.")

4. Authority for large purchases. The ability of the University to process large purchases is subject to delegation from the Division of Purchasing. Any delegation to process large purchases will be vested in the University's Purchasing Department and the Purchasing Department shall not delegate the processing of large purchases to other University entities.
 - a) Training and professionalism. Purchasing Department personnel, who are involved in the purchasing process, will participate in training sessions, workshops, or conferences offered by the Division of Purchasing. The University shall work to promote professionalism of its purchasing staff through continued training and certification.
 - b) Purchasing reviews by state. The Purchasing Department is subject to purchasing reviews conducted by the Division of Purchasing for the purpose of determining effectiveness and performance of the agency's purchasing system and evaluating compliance with state statutes and Division of Purchasing Rules.
5. Compliance Requirements. Large delegated purchases will be processed in compliance with state statutes and division of purchasing rules, Idaho Code, Section 67-5714 et. seq., and Division of Purchasing Rules, IDAPA 383.05.01, relative to the conduct of purchasing activities. The Division of Purchasing "Purchasing Reference Guide" sets forth the detailed procedures that will be used by the University, and the standard and special terms and conditions will be used when processing large purchases.
6. Special Requirements for large delegated purchases:
 - a) Posting of notice. Idaho Code 67-5718. Procedure for Bidding (2), states that notice shall be posted of all acquisitions of property, unless otherwise excepted by rules of the Division of Purchasing and that (3) to enhance small business bidding opportunities, the administrator shall seek a minimum of three (3) bids from vendors having a significant Idaho economic presence as defined in Idaho Code 67-2349.
 - b) Posting of formal ITB's. All formal ITB's will be posted on the Internet and in hard copy at the purchasing office.
 - c) Local Preference: Idaho Code 67-5718 (5) states that where both the bids and quality of property offered are the same, preference shall be given to property of local and domestic production and manufacture

or from bidders having a significant Idaho economic presence as defined in the Idaho Code.

d) Reciprocal Preference: In the case where states and countries provide a preference for vendors within their borders and add a percentage to bids received from outside states, the State of Idaho responds (reciprocates) in like manner. (Idaho Code 67-2349).

F. Emergency Purchases: Occasionally an emergency situation may exist where normal purchasing procedures are unable to deal with a threat to public health, welfare, or safety. The Purchasing Department, following the guidelines established by the Division of Purchasing, may determine that an emergency does exist and may authorize purchases without bidding. Such an emergency must be documented in writing. Emergency purchases are limited to the minimum necessary to meet needs during the emergency.

G. Sole Source: If, for any reason, the goods to be purchased are only available from a single supplier, the Purchasing Department must document the fact that a non-competitive "sole source" purchase is being made. Using guidelines established by the Division of Purchasing, the Boise State Purchasing Department will determine if sole source conditions exist, and will submit a request to State Purchasing for approval to pursue a sole source transaction.

H. Special Situations: The requirement for bidding for these purchases is waived, subject to prudent business judgment and bidding when possible or practical:

1. **Education or training related travel.** The infrequent purchase of less than \$75,000 for State employee (and student) education or training related travel (bus, car, plane, etc.) to include associated costs for lodging (hotel/motel, rooms, food, etc.), meeting rooms, and seminar/workshop expenses.
2. **On-site education and/or training for State employees.** The infrequent purchases of less than \$75,000 for services from firms or individuals providing on-site education and/or training to State employees.
3. **Advertisements.** Legal advertising, public service announcements, and publication or placement of advertisements by state agency personnel directly with media sources.
4. **Mass-produced video, audio, and written publications.** Purchase of mass-produced movie or video films, audio recordings, or written publications (for instance, books, brochures, or pamphlets) that are distributed or sold primarily by the publisher.

I. Other contracts or purchases: Any contract or purchase outside of those identified above will 1) be sent to the State of Idaho Division of Purchasing for bidding or processing; or 2) if delegated to the Boise State Purchasing Department, will be bid using the Division of Purchasing's rules and guidelines; or 3) if not subject to Division of Purchasing rules and guidelines, bidding or processing will be in accordance with good business practices and in the best interest of the University and the State.

IV. Leasing, Rentals of Equipment, and Time Purchases

A. Definitions: Agreements for leases, rental, and time purchase of equipment are similar in that they require several payments to be made for a single item over a specified period of time. A time purchase differs from a rental or lease in that, with a time purchase, title to the goods passes from the seller to the buyer (Boise State) at the time of delivery or at the time of the first scheduled payment; if property is rented or leased, title never passes to Boise State.

B. Purchasing Department review: Purchasing will review, monitor, and/or approve all leases, rental, and time purchases of equipment. Not included are short-term rentals of equipment that departments may procure using any approved purchasing method.

C. Real property: Boise State departments are NOT authorized to enter into leases or rental of real property. This includes storage, office, and classroom space, and housing. Not included are hotel rooms and short-term conference and meeting space. All leases and rentals of real property are to be referred to the Facilities Department for processing under DPW guidelines.

D. Bidding: Lease, rental, and time payment agreements that exceed \$5,000 total cost or 12 months duration are subject to State of Idaho bidding requirements. Lease buy-outs are also subject to State of Idaho bidding requirements.

V. Non-Procurable Items or Restricted Items

A. Listing of non-procurable items: The following items are not procurable with funds administered by Boise State University unless prior written approval is obtained from the Purchasing Director, a Vice President, or designee.

1. **Briefcase and attaché cases.** Briefcase and attaché cases, unless required to perform assigned tasks. Cases and organizers purchased should be of reasonable cost, may not be personalized, and are to remain the property of Boise State.

2. **Office/workstation decorations.** Office or workstation decorations and equipment including:

- Desktop accessories; e.g. special pads, clocks, pen sets, etc.
- Decorative items such as vases, planters, pictures, flowers, plants, etc.
- Office equipment not meeting University requirements.
- Personalized or extravagant personal organizers.

Public areas are exempted from this prohibition.

3. **Beverages, snacks, consumables.** Beverages, snacks, consumables, and related supplies, including beverage service (excludes water service), unless the primary purpose is for student or public use.

4. **Repairs to personal property.** Repairs to personal (i.e., not Boise State-owned) property or the purchase of replacement property (even if used for work-related purposes). If Boise State is held liable for loss or damage to personal property, reimbursement will be made directly to the owner of the property.

5. **Association memberships.** Memberships in associations that do not have a direct relationship to an individual's current employment assignment (See also Boise State University Membership in Organizations policy 6190.)

6. **Building improvements.** Rugs, carpets, draperies or window coverings in academic or office complexes. These must be bid through Facilities Department under Division of Public Works authority.

7. **Parking fines.** The payment of fines imposed by Boise State or municipal authorities for violations of parking regulations.

8. **Traffic citations.** The payment of traffic citations and other court ordered fines.

9. **Regalia.** Regalia, rental or purchase, except for dignitaries when approved by the Provost's Office.

10. **Alcoholic beverages.** See Boise State University PR and Alcohol Expense policy 6250.

11. **Telephone attachments and recording devices.** The purchase of telephone attachments or devices used to record conversations is prohibited.

B. Tax free Alcohol: Use of tax-free alcohol is subject to Federal Law. Department records and alcohol usage records are subject to Federal Audit by the Internal Revenue Service.

C. Live Animals for Research: The use of live animals for research is governed by Boise State University Animal Care and Use policy 5070.

D. Research using Human Subjects: The use of human subjects in research is governed by Boise State University Use of Human Subjects policy 5050.

E. University funds shall not be used to pay for any kind of professional, occupational, or trade license, certificate, permit, or used to pay for occupational registration for any employee or officer unless such dues or license are part of a requirement of employment.

VI. Telephone Service

Prior approval must be obtained from Boise State University OIT Business for all equipment items attached to the Boise State University central telephone system. Planning and advice for telephone service and equipment needs should be referred to the OIT Business Office.

VII. Printing, Copying, and Signage

A. Bidding: All printing, copying and signage purchases must conform to State of Idaho bidding requirements.

1. **Exceptions to requirements for work to be performed within Idaho** (Idaho Code 60-103 and 60-104). All printing, binding, engraving, and stationery work shall be performed within the state of Idaho, except:
 - When no Idaho vendor can provide the service or product
 - When no Idaho vendor can meet the quality required
 - When Idaho vendors' charges are excessive
 - When the lowest instate bid is more than 10% greater than the lowest out of state bid.
2. **No bidding requirement under \$5,000.** Printing, copying, and signage purchases under \$5,000 do not require bidding. However, it is strongly recommended that a firm quote is obtained prior to placing a print order. The quote should include a complete description of the print job, identify any options, and provide firm pricing. This protects the buyer and the printer from misunderstandings concerning job description and pricing.

3. **Bidding provided by Purchasing Department.** Print, copy, and signage orders of any size may be sent to Purchasing for bidding. Bidding often results in savings of 25% or more.
4. **Boise State Printing and Graphics and Boise State Sign Shop.** No bidding is required for print jobs performed by Boise State Printing and Graphics or the Boise State Sign Shop.
5. **Bidding requirement over \$5,000.** All print and copying jobs over \$5,000, and not performed by Boise State Printing and Graphics, will be bid by the Purchasing Department. The Purchasing Department will include Boise State Printing and Graphics in the bid process. Small print or copy jobs may not be split to avoid bidding. If the total cost of all the printing or copying required exceeds \$5,000, bidding is required.

B. Use of Boise State logo: All printing containing one of Boise State's logos and the printing of letterhead, envelopes, and business cards must conform to the requirements of the Boise State Graphic Identity Reference Guide, which is available at Printing and Graphic Services website.

C. Signage: Signage must conform to all Americans with Disabilities Act requirements. External signage must conform to Boise State identity and logo requirements.

VIII. Receiving

A. Central Receiving Department: Boise State University's Central Receiving Department has the primary responsibility for receipt, delivery, and shipments of all incoming and outgoing University orders and property. Central Receiving has delegated the responsibility for handling certain shipments, including receipt and documentation requirements, to departments. For example, bulky furniture is usually delivered directly to its installation point to avoid double handling and to reduce the possibility of damage. Departments are also permitted to pick up items needed from local suppliers.

B. Receiving process: Central Receiving performs the following functions in receiving and shipping goods:

1. **Receipt and inspection.** Receives and inspects goods for damage and discrepancies in description and quantity from the purchase order. The condition of the goods and other information is then recorded in the University financial system.
2. **Ordering department responsibility.** After receipt and inspection, the goods will be sent directly to the ordering department. The ordering department is responsible for confirming that the goods received comply

with the order and are in good working condition. If the ordering department's inspection reveals a problem, notify the Purchasing Department prior to contacting the vendor. Failure to make timely inspections can result in the loss of remedy.

3. **Inventory items.** All equipment costing or valued more than \$2,000 with a useful life of more than one year is considered a fixed asset and is subject to Boise State University Control of University Equipment and Materials policy 6270.

C. Items returned for credit or exchange. Contact the Purchasing Department if it is necessary to return items to a vendor for credit or exchange. The following procedures will assure that the return is properly documented and credit is received:

1. **Removal of Inventory tag.** If the item has a Boise State property tag, the tag must be removed and returned to Inventory Control with documentation of the return. On receipt of the property tag and documentation, Inventory Control will remove the item from the department's inventory list.
2. **Return instructions.** The vendor must be contacted and arrangements made for the return. In most cases the vendor will provide a "Returned Material Authorization Number" (RMA#) and instructions for the return. The instructions should include the "ship to" address, how the item should be packaged, how the package should be labeled, and what shipping method should be used. Items returned without RMA # or vendor approval are often lost or rejected by the vendor.
3. **Shipping of returns.** The best way to document the return is to have Central Receiving ship the item by UPS or other freight carrier. Central Receiving maintains records of all shipments and the carriers can provide proof of delivery if needed. If it is necessary to mail the package, proof of delivery must be requested at time of mailing.

IX. Purchase of Goods for Resale

A. General: A Boise State department can purchase goods for resale if they will be resold to the general public as part of an officially sanctioned fundraising effort, business enterprise, or to individuals who are members of the campus community. Boise State University does not allow external vendors to resell merchandise on campus except as approved by the Bookstore Director.

B. Competition and/or conflict of interest: By selling the goods purchased for resale, the department must not compete in any way with other established

University businesses such as the Bookstore. Note: Sales to students may represent a conflict of interest for faculty members. Also, Boise State policy gives the Boise State Bookstore the exclusive right to sell academic materials, school supplies, general books, computer equipment and software, consumer electronics, and insignia merchandise on the University campus.

C. Requirement to purchase specifically for resale: The goods must be purchased specifically for resale; under no circumstances can existing inventory be sold for the sole purpose of raising funds. Note: The disposal process described below at X. Disposal of Surplus Property may result in money being returned to a department.

D. Resale price: When the goods are resold, the resale price to each buyer must equal or exceed the initial unit price paid by the University to the original vendor of the goods. Goods may only be resold for less than the original unit price after obtaining written authorization from the Purchasing Director.

E. Sales tax collection: The University is not exempted from the collection of sales tax on goods that it sells. It is the responsibility of the department to notify customers that Idaho sales tax must be paid on resold goods and to collect the sales tax.

F. State of Idaho contracts: Goods purchased through State of Idaho contracts generally cannot be resold.

G. Use of University logo: The use of the University's name, logos, seal, and colors is subject to approval per Boise State University Graphics Standards policy 10000. Contact Director of Trademarks, Office of General Counsel for more information and approval.

X. Disposal of Surplus Property

A. General: When equipment or other property (whether tagged or not) is obsolete, worn out or no longer needed by a department, it should be declared as surplus by completing the Boise State [Request for Disposal of Excess, Salvage or Trade-in Inventory Items](#) form and sending the form to Central Receiving. Central Receiving will arrange for the items to be collected and stored pending a decision on the value to the University of the surplus goods. Surplus items will be reissued (at no cost) to other University departments, sold or given to other State agencies, or sold by public auction. The department will not receive payment for the residual value of the surplus property.

B. Sales of surplus property: The Purchasing Department is responsible for all sales of surplus property. An item or items with a total residual value of more than \$500 may be sold through the bid process for the benefit of the department that declared the goods as surplus. Contact the Purchasing Director to make

arrangements for a surplus property sale. The proceeds of the sale, less the cost of advertising, will be returned to the department's general local account. Note: Equipment purchased with grant funds will be disposed of in accordance with the terms of the grant.

1. **Property given or sold to other state agencies.** Items may be sold or given to any Idaho tax-supported agency without prior bid and advertisement. Prior approval must be obtained from the Purchasing Director.
2. **Sales to public.** Items to be sold to the public must be made available to all State of Idaho agencies prior to sale. Sales to the public may only be made by bid or public auction as required in guidelines established by the Board of Examiners and Idaho Code.
3. **Advertising requirement.** All sales to the public must be advertised.
4. **Prohibition of sale to employees.** Boise State employees, their spouses, and dependents are prohibited by Idaho Code from purchasing surplus property from Boise State University.

C. Trade-in of surplus property: The surplus items may also be offered for trade-in as part of the bid process when purchasing new equipment or supplies. This is normally done only when purchasing like replacement items, usually capital goods. Acceptance of a vendor's trade-in offer is made at the discretion of the Purchasing Department. Trade-in items must be listed on the requisition and include a full description of the equipment, the serial number (if available) and the inventory tag number. The "Request for Disposal" form must be completed and sent to the Purchasing Department.

1. **Approval required.** The State of Idaho, Division of Purchasing, must approve all trade-ins prior to bidding.
2. **Bid process.** Trade-ins may require a written bid process.

D. Sale of donated items differentiated from surplus: Departments may sponsor "garage" sales where donated items are sold. Only items donated specifically for the "garage" sale may be sold. Surplus Boise State property may NOT be sold. Funds generated from the sale must be deposited in a Boise State or Boise State Foundation account.

XI. Use of Boise State University Foundation, Inc. Funds

A. General: Subject to compliance with Foundation policies (available by

contacting the University Advancement Chief Financial Officer), any University department with spending authority over a Boise State University Foundation, Inc. account can submit a Check Request to the Foundation to pay for goods in one of the following ways:

1. For purchases which comply with University policies and procedures, the charge should be paid through the University's financial systems and reimbursed with a check issued from the Foundation. Charges paid through the University are exempt from Idaho sales/use tax. All purchases in excess of \$5,000 which are paid by the University are subject to bidding by the Boise State Purchasing Department.
2. Other charges can be paid directly by the Foundation with appropriate documentation. In this case, a University financial system requisition is not necessary, and the normal purchasing rules do not apply. Charges paid directly by the Foundation are subject to Idaho sales/use tax.

B. The Foundation does not directly pay or reimburse Boise State employees. Expense reimbursements are to be made by requisition from a Boise State local account. Compensation, including honorariums, may only be paid through the Boise State Payroll system to ensure compliance with Federal and State regulations.

XII. Purchasing Ethics and Vendor Relationships

All employees are involved in business transacted by the University in one form or another. Especially so are those professional purchasers and other personnel who purchase items and services, including those using the University P-card. Each employee has a personal responsibility to conduct University business in an ethical manner and assure the integrity of the purchasing and procurement processes. (See Section C. Code of Ethics, below.)

Failure to comply with Idaho Code, State Board of Education Policy or Boise State University Purchasing Policy for purchases of goods and services may result in disciplinary action, up to and including termination of employment

A. Conflict of interest: A conflict of interest occurs when a person's private interests compete with his or her professional obligations to the University to a degree that an independent observer might reasonably question whether the person's professional actions or decisions are materially affected by personal considerations, including but not limited to personal gain, financial or otherwise. See Boise State University Ethics in Government/Conflict of Interest policy 7080.

B. Idaho Code reference. Specific Idaho Code applicable to the purchasing of goods and services:

1. Public Information Availability. Purchasing records are subject to disclosure and public access (Idaho Code 9 -338, I.C. 67-5725).
2. Employee transactions. Conflict of Interest prohibition regarding the holding of contracts with or selling to the University by employees (Idaho Code 67-5726).
3. Influencing/conspiring to influence. Prohibition regarding the influencing or conspiring to influence purchasing decisions and contract awards (Idaho Code 67-5726). Attempts at influence may include kickbacks and bribes, peddling or payment of a fee, back door selling, hard-sell tactics, fraternization, or offering gifts to avoid following published procedures or gain advantages.
4. Circumventing Purchasing Rules. Prohibits efforts by employees to obtain products or services by avoiding the competitive process such as splitting purchases, creating false emergency situations, and non-use of statewide contracts (Idaho Code 67-5726, Idaho Code 67-5717).

C. Code of Ethics (adapted from the National Association of Educational Buyers [NAEB] code):

- Give first consideration to the objectives and policies of BSU
- Strive to obtain the maximum value for each dollar of expenditure.
- Decline personal gifts or gratuities. At no time or under any circumstances accept, directly or indirectly, gifts, gratuities or other things of value from suppliers, which might influence or appear to influence purchasing decisions.
- Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
- Act impartially and not give preferential treatment to any private or public organization or individual.
- 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.

- Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- Identify and eliminate participation of any individual in operational situations where a conflict of interest may be involved.
- Endeavor to avoid any actions that would create the appearance that they are violating the law or the ethical standards.
- Disclose potential conflicts of interest and avoid conflicts of interest, potential conflicts of interest, and circumstances giving rise to the appearance of a conflict of interest.