

UConn HEALTH

POLICY NUMBER 2006-30

June 11, 2013

POLICY: AUTHORIZED PURCHASE

PURPOSE:

This policy establishes the definition of an authorized purchase of goods and services, and sets forth guidelines for managing and reporting unauthorized purchases.

SCOPE:

All UConn Health faculty and staff, and UConn Health suppliers.

POLICY STATEMENT:

In order to ensure that UConn Health's purchases of supplies, materials, equipment and contractual services are made in the most cost-effective manner and in accordance with all relevant laws, regulations, policies and procedures, UConn Health requires its employees and suppliers to follow specific purchasing processes set by its Procurement Department.

UConn Health employees or representatives who do not comply with this Policy may be subject to disciplinary action and/or may be held personally responsible for the cost of any unauthorized purchase. Suppliers are cautioned that UConn Health may not make payment for goods or services provided as a result of an unauthorized purchase.

DEFINITIONS:

- 1) UConn Health funds – Funds paid out of any UConn Health-controlled account, including non-grant-funded, grant-funded, residual, gift and other discretionary accounts.
- 2) Authorized purchase – A purchase of (or commitment to purchase) goods or services by an individual who has authority to spend UConn Health funds, using one of the following methods: a) an approved UConn Health Purchase Order (PO); b) an approved UConn Health Purchasing Card (P-Card) transaction; or c) another method that the Procurement Department has specifically authorized for a particular purchase. (Note: The approval process for grant-funded purchases includes a review by the UConn Health Research Administration and Finance Department.)
- 3) Non-procurement expense – An expense (such as travel reimbursement) that UConn Health routinely pays for using a mechanism that does not involve a PO or P-Card transaction or Procurement Department review. Non-procurement expenses are not considered to be “purchases of goods or services,” and are subject to the requirements and procedures of the UConn Health Finance Department (and/or the UConn Health Research Administration and Finance Department, for grant-funded expenses). The current list of non-procurement expense categories is available from the Procurement and Finance Departments.

- 4) Unauthorized purchase – A purchase of goods or services, or any commitment to spend UConn Health funds, that does not meet the definition of either an “authorized purchase” or a “non-procurement transaction.”

POLICY GUIDELINE:

Standard purchasing mechanisms: All purchases of goods and services on behalf of UConn Health must be made in accordance with current Procurement Department procedures. The only two standard purchasing mechanisms are: 1) a PO approved in accordance with UConn Health Policy Number 2006-19 ([Purchasing Approval Authority](#)); or 2) an authorized P-Card transaction made in accordance with UConn Health’s P-Card procedures.

Non-standard purchasing methods: In addition to the standard PO and P-Card purchasing mechanisms, the Procurement Department may allow non-standard purchase methods on a case-by-case basis to facilitate purchases that cannot be made via PO or P-Card, or when a non-standard method is otherwise advantageous to UConn Health. Individuals must obtain advance, written permission from the Procurement Department before paying for any goods or services with a personal (non-UConn Health) credit card or funds.

Contracts: Certain purchases also require the parties to sign a contract before the goods or services can be provided. Employees who do not have the authority to sign contracts cannot legally bind UConn Health to a contractual purchase or arrangement. See UConn Health Policy Number 2012-04 (Contract Signature Authority) for the list of individuals who are authorized to sign contracts on behalf of UConn health.

Unauthorized purchases: To avoid the risk of making an unauthorized purchase, employees should always contact the Procurement Department for guidance before making any non-standard purchase. If an unauthorized purchase has already been made, and the employee responsible wishes to request payment or reimbursement for the cost, the employee must submit a completed Unauthorized Purchase Form and any supporting documents to the Procurement Department. The unauthorized purchase documentation will be reviewed and logged by the Procurement Department and forwarded to the Executive Vice President of Health Affairs for action.

If the Unauthorized Purchase Form is approved (in whole or in part) by the Executive Vice President of Health Affairs or his/her designee, UConn Health will process payment or reimbursement for the amount approved. If the Unauthorized Purchase Form is denied (in whole or in part) by the Executive Vice President of Health Affairs or his/her designee, UConn Health will not process payment or reimbursement for the amount denied. If UConn Health does not pay for all or part of an unauthorized purchase, the individual or entity seeking payment may file a claim with the State of Connecticut’s Office of the Claims Commissioner, in accordance with Chapter 53 of the Connecticut General Statutes.

References:

Policy Number 2006-18, [UConn Health’s Statutory Authority to Purchase and Contract](#)
Policy Number 2006-19, [Purchasing Approval Authority](#)
Policy Number 2012-04, [Contract Signature Authority](#)

Lori Acomb (Signed)

7/2/13

Lori Acomb
Director of Procurement

Date

John Biancamano (Signed)

7/9/13

John Biancamano
Chief Financial Officer

Date

Frank Torti (Signed)

8/8/13

Frank M. Torti
Executive Vice President for Health Affairs

Date

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