

**KEAN UNIVERSITY**

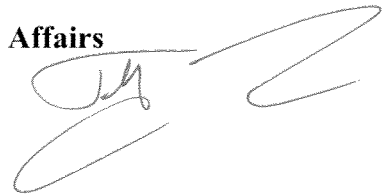
**OFFICE OF RESEARCH AND SPONSORED PROGRAMS**

**Policy Name:** PURCHASE EXPENDITURE REQUESTS AND APPROVALS FOR INTERNALLY AND EXTERNALLY SPONSORED PROJECTS

**Approval Authority:** Office of Vice President, Academic Affairs

**Originally Issued:** May, 2011

**Revised/Updated:** October 25, 2012



**1. Policy Statement**

This policy establishes the initiation of purchase expenditure requests and approvals of all purchase expenditures for internally and externally sponsored projects.

**Reason/Purpose for Policy**

The purpose of this policy is to inform principal investigators, project directors, administrators, and support staff of the newly established purchases approval chain and dollar thresholds with regard to internally and externally sponsored projects.

**Policy Applies To**

This policy applies to all University personnel who have designated authority to initiate or approve purchase expenditures on internally and externally sponsored projects. **This policy applies to sponsored projects only.**

**3. Contacts**

- A. Office of Research and Sponsored Programs
- B. Vice President, Academic Affairs

**4. The Policy**

**A. Definitions:**

Delegation of Authority: The President of the University has approved the delegation of authority described in this policy with regard to the dollar thresholds and approval chain for all purchase expenditure requests for internally and externally sponsored projects.

Purchasing Authority: University Purchasing has been given the authority to conduct and conclude negotiations for the purchase or lease of all supplies, equipment, and services to fulfill the requirement of the University.

University Purchasing is responsible to procure all goods and services in a fair, competitive, and equitable basis, without undue delay, in accordance with the University's procurement policies.

Office of Research and Sponsored Program (ORSP) Authority: ORSP is charged with the responsibility of approving all requests for expenditures for internally and externally funded projects. ORSP ensures that all requests for expenditures are allocable and allowable per approved budgets for all internally and externally sponsored projects as well as compliance with University purchasing policies.

## **B. Procedure for Internally and Externally Sponsored Projects**

**The following approval procedure for internally and externally sponsored projects supersedes the approval procedures in both the Office of Business Services Policy and Procedures Manual and the University Purchasing Department Website. This procedure applies to sponsored projects only.**

(1) For all internally and externally sponsored projects, once the grant award has been formally accepted, ORSP initiates the establishment of a cost center for the award and, under that cost center, establishes budgets by line item categories based on the approved award. Once established, expenditures and requests for expenditures within each line item category cannot exceed the budget unless a budget transfer is made (see Policy for Budget Revisions).

Cost centers for University internally sponsored projects will be in the 14 fund; cost centers for Foundation internally sponsored projects will be in the 23 fund; and externally sponsored projects will be in the 21-28 funds depending on the funding agency.

(2) ORSP initiates the designees who will be authorized to have DATATEL access for requests for expenditures. The PI/PD and one designee from his or her department are given access to the established cost center. If an additional designee is needed, then a request must be submitted to ORSP in writing.

(3) Per University purchasing policy, all requests for external supplier purchases for goods and services must be entered in the DATATEL system to initiate an online requisition.

(4) The PI/PD or designee enters the online requisition, which is then converted to a purchase order through the approval process.

(5) The approvals and dollar thresholds required to convert a requisition to a purchase order for all internally and externally sponsored projects are listed below.

- PI/PD (as Cost Center Director) approval for all requisitions.
- GRANT approval for all requisitions.
- ORSP approval if requisition is \$500 or more.
- VP Academic Affairs approval for requisitions between \$1,000 and \$10,000.
- Exec. VP Operations for requisitions over \$10,000.
- The President must approve all requisitions or \$1,000,000 or more.
- ***Requisitions exceeding the State bid threshold (currently \$30,700) must follow the State competitive bidding process requirements. Contact ORSP for guidance before attempting to enter a requisition.***
- ***Requisitions for the purchase of computer equipment (object code 5077) and computer software (object code 5034) must have OCIS approval regardless of dollar amount.***

### Approvals String – All Sponsored Programs

