May 12, 1997

TO: Deans, Directors and Department Heads

FROM: JoAnne Jackson, Senior Vice President for Finance and Operations  
       Marvin Marshak, Senior Vice President for Academic Affairs

SUBJECT: Regents Purchasing Policy Violations

The increasing number of Regents Purchasing Policy violations has become a matter of concern to the Financial Operations Committee of the Board of Regents. They have asked that we ensure that the appropriate fiscal officers are aware of the provisions of the policy, the reason for and importance of the policy, and that they be made aware that restrictions will need to be applied to departments that do not conform to policy.

Regents Purchasing Policy requires that:

Purchases over $10,000 need to be bid by Purchasing Services.

Purchases may not be split in order to avoid bidding.

Purchases $250,000 and over must receive prior approval by the Board of Regents.

Regents Purchasing Policy is important because it ensures that we use open, competitive, public processes in selecting vendors to receive the University’s orders and contracts. Such processes are the expectation of the University’s public funding sources and its many stakeholders. Such processes also help to ensure that good value is received for the public dollars we spend.

Effective May, 1997, the Controller’s Office and Purchasing Services will adopt a new and more effective system for identifying, reporting, and applying restrictions to those purchasing transactions which do not comply with Regents Purchasing Policy. Attached is a more detailed description of the procedure.

Staff who need information about purchasing policies and procedures are invited to attend classes offered by Business Services Training. (Phone (612) 626-1373, E-Mail: trmgsvcs@gold.tc.umn.edu, Home Page URL: http://training.finop.umn.edu)

We ask for cooperation and support from you, our colleagues, as we strive to create stronger compliance at the University.

JJ/MM:bf

cc: Gail Klatt, Department of Audits  
    Ed Wink, ORTTA  
    Karen Triplett, Purchasing Services  
    Terry O’Connor, Controller