

OU AP & P 1000 - Exhibit 3
Goods and Services with Special Procurement Requirements

Type of Purchase	Requirements	PAYMENT METHOD				Special Approval Required	Required Policy
		PO	SOP	PV	P-Card		
Advertising and Media Exposure							
Media	Communication intended for external audiences (all media) must be pre-approved in writing by Communications & Marketing.	>\$5K	YES	YES	YES	Communications & Marketing	488
Advertisements	Advertisements <5K can be paid on an SOP or P-Card;	>\$5K	YES	NO	YES	Communications & Marketing	488
Design Services	Design services should be paid on a PV with OU Services Agreement or a PO if >5K.	>\$5K	YES	YES	YES	Communications & Marketing	488
Alcoholic Beverages							
University Sponsored Event	University sponsored events where alcohol will be served must have pre-approval from the President's Office. (See OU AP&P 400 Alcohol for specifics) Alcohol is never charged to the general fund.	>\$5K	YES	YES	NO	President	400
Hosting	Vice Presidents must approve reimbursement/payment for any hosting expense that includes alcohol. Itemized receipt is required for reimbursement. Alcohol is never charged to the general fund.	YES	NO	YES	NO	Division VP	208
Awards & Gift Recognition	Cash, gift cards and gift certificates to employees are not allowed. Executive Officers may recognize employees and students with a token of appreciation for extraordinary work with non-cash awards, prizes or gifts valued under \$75 (e.g., OU sweatshirt). Monetary awards for student academic achievement may be allowable and must be reported to the Financial Aid Office	N/A	YES	YES	YES	President or Vice President	207
Banking and Financing	Banking, financing or credit obligations must be reviewed by Treasury Management and contracts reviewed by OLA.	YES	YES	YES	YES	Treasury Management	1000
Buses and Other Rented Transportation							
Group Transportation	When arranging transportation for groups, staff must utilize pre-qualified transportation companies listed on the Purchasing website or make arrangements through Purchasing and Risk Management.	>\$5K	YES	NO	NO	Risk Management	1050
Airport Transportation	When arranging local area transportation where a driver is provided (e.g. transportation to and from Detroit Metro airport), staff must utilize the pre-qualified transportation companies listed on the Purchasing website.	>\$5K	YES	YES	YES		1000
Rental Vehicles	Rental vehicles for individual or small group use may be arranged using the direct bill cards located in the Accounts Payable Office. Direct billing arrangements do not guarantee the best price and it is not required that you use those companies. Drivers of vehicles rented on University accounts must comply with Risk Management's OU AP&P 1050. See OU AP&P 1200 Travel for additional information on renting a car.	>\$5K	YES	YES	YES	Risk Management	1050, 1200
Catering							

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Caterers	Food at University events purchased from restaurants having only one location or caterers must be purchased through the PO process to ensure adequate insurance coverage.	RQD	NO	NO	NO	Purchasing	1000
Chain Restaurants	Food at University events purchased from chain restaurants (restaurants having multiple locations) does not require insurance.	>\$5K	YES	NO	NO		1000
Construction and Building Renovations	All building repairs, upgrades, alterations, and renovations, including plans, must be approved by Facilities Management, regardless of the funding source or work force. SOP's must show proof of insurance, competitive pricing and Facilities Management approvals.	>5K	YES	NO	NO	Facilities Management	310
Contracts							
OU Services Agreement	Contracts are required for arrangements between OU and all performers, consultants, independent contractors and others providing professional services to the University. Proof of adequate insurance is required from anyone providing services on campus. The OU Services Agreement may be used for these types of arrangements as long as the OU Terms and Conditions are not altered. See the OU Services Agreement and the Instruction Sheet on the OLA website. Only officers of the University (and their designees) may sign contracts on behalf of OU. See Contracting Authority in the Definitions section of this policy. Contracts must be fully executed (signed and dated by both parties) before work begins.	>\$5K	NO	YES	NO	Office of Legal Affairs - if OU Terms and Conditions are altered	410
All Other Contracts	For all other contracts, agreements, licensing and royalty arrangements, contact the OLA as well as follow any other applicable Purchasing policy. Only officers of the University (and their designees) may sign contracts on behalf of OU. See Contracting Authority in the Definitions section of this policy.	>\$5K	NO	YES	NO	Office of Legal Affairs	410
Controlled Substances	All controlled substances must be purchased by a University physician or veterinarian.	RQD	NO	NO	NO		640
Employment Advertising							
Faculty	After completing all steps required by OU AP&P 750, Academic units place their own ads for faculty employment.	>\$5K	YES	YES	YES	Academic Human Resources	750
Non-Faculty	All ads for non-faculty employment are purchased by University Human Resources.	>\$5K	YES	YES	YES	University Human Resources	725, 770
Employee Entertainment Activities	Employee parties, showers, birthday outings etc. are personal expenses, however an Executive Officer may approve an entertainment event as defined in OU AP&P 207. For approved events, payment documentation must include a statement of the business rationale for the event, a list of the attendees or type of attendees and original, itemized receipts. Such activities should be paid with non-general funds.	>\$5K	YES	YES	YES	President or Vice President	207

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Firearms	Only the OUPD may purchase firearms.	RQD	NO	NO	NO		1000
Fire Safety Equipment	All fire safety equipment purchases must be reviewed and approved by Environmental Health and Safety.	>\$5K	YES	YES	YES	Environmental Health & Safety	675
Flowers and Plants							
Events	Flowers and plants for campus-wide events or University sponsored recognition programs may be purchased by the funding department or Executive Events.	>\$5K	YES	NO	YES		1000
Landscaping	Flowers and plants for campus grounds and buildings may only be purchased by Facilities Management, the Golf and Learning Center and Meadow Brook Hall.	>\$5K	YES	NO	YES		1000
Tributes	All floral tributes for death or illness of a staff member (or staff's family member) are requested through UHR or AHR and handled by the President's Office per OU AP&P 455.	YES	YES	YES	YES	President's Office	455
Freight, Shipping and Overnight Mail Charges	Freight and shipping charges can be added to PO's (not blankets) and SOP's beyond the stated total by up to 15% of the total (max \$1000) without a change order. Courier services may be paid on the P-Card.	>\$5K	YES	YES	YES		1000
Foreign Payees							
US Source Income	If a foreign person or company comes to the US to provide goods or services, special paperwork is required to pay them. Individuals must come in under the correct visa type to be paid. 30% withholding applies for all payees that do not have a US tax ID or do not have a federal treaty exemption. Contact Accounts Payable for more information before agreements are signed or work begins.	>\$5K	NO	YES	NO	Accounts Payable	1000
Foreign Source Income	Payment to a foreign person or organization that takes place outside of the US must be documented as foreign source by the department and requires special paperwork. Contact Accounts Payable regarding all payments to foreign persons or companies before making the purchase.	>\$5K	NO	YES	YES	Accounts Payable	1000
Gift Cards	The purchase of gift cards and gift certificates for OU employees or students is not allowed. Questions about gift cards should be addressed to the Accounts Payable Manager.	N/A	N/A	N/A	N/A	Accounts Payable	207
Grant Expenditures	All grant expenditures must be approved by Grants, Contracts and Sponsored Research. Payment processing for each transaction will follow the requirements for that type of transaction, with the additional requirement of OGCSR approval of the transaction in writing.	N/A	N/A	N/A	N/A	Office of Grants, Contracts and Sponsored Research	500
Hosting	See payment section of OU AP&P 208 for hosting payment requirements. Include business purpose, date of event, list of attendees and university affiliation on all payment documentation. Events with 20 attendees or more must be paid by PO. See alcoholic beverages above.	YES	YES	YES	YES		208

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Honoraria	Complete the "Employee vs. Independent Contractor Classification Checklist" per OU AP&P 262 before the visitor arrives to receive a determination on whether your speaker can be paid thru the honoraria process. If Accounting determines that the payment will be an honoraria, attach the Honoraria Form and event flyer to a PV to process payment. If your speaker charges a fee, Independent Contractor payment procedures must be followed. (See below.) Honoraria are normally no more than \$1000.	NO	NO	YES	NO	Accounting	262
Human Participants in Internal Review Board Approved Studies	Researchers making incentive payments to human study participants must use the PO method to obtain funds for the incentive payments. The IRB approval letter must be submitted with the requisition.	RQD	NO	NO	NO	Office of Grants, Contracts and Sponsored Research	
Independent Contractors	The IRS considers most individuals receiving compensation from the University to be employees and requires that they be paid through Payroll. To determine if a person falls under IC status, complete the "Employee vs. Independent Contractor Classification Checklist" per OU AP&P 262 and submit to Accounting for a determination before the person starts work. IC's working on campus must provide certificate of insurance and be paid through a PO or have an OU Standard Services agreement in force before work begins. The checklist, agreement and certificate of insurance must be submitted with the PV for payment to be processed.	>\$5K	NO	YES	NO	Accounting	262
Information Technology							
Software, License Agreements	Software purchases are contracts that require special reviews and approvals. No software purchases can be made on a P-card without UTS review and approval. Please review the UTS Campus Software Procedures (www.oakland.edu/UTS/software) to determine the correct procedure for software purchases. The University does not reimburse software purchases.	YES	YES	YES	YES	University Technology Services, Office of Legal Affairs	870
IT Support	Hosting, outsourcing and application service provider products must be approved by UTS before the purchase is finalized or contracts are signed. The P-Card cannot be used to purchase hosting, outsourcing or application service provider services.	YES	YES	YES	NO	University Technology Services, Office of Legal Affairs	870
Insurance							
University Insurance	All University insurance is purchased through Risk Management.	N/A	N/A	YES	N/A	Risk Management	1050
Foreign Travel	When planning foreign travel for faculty, staff or OU sponsored students, it is required that the department contact Risk Management far enough in advance of departure to ensure proper insurance is in place during travel.	N/A	N/A	YES	YES	Risk Management	1050

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Trip Cancellation	Trip cancellation coverage may be purchased in conjunction with travel arrangements at the department's discretion.	YES	YES	YES	YES		1200
Laboratory Animals	Laboratory animals may only be purchased through Biomedical Research Support Facility.	>\$5K	YES	NO	YES	Environmental Health & Safety	615
Large Equipment Supported by Utilities	All large equipment supported by utilities must be reviewed by Facilities Management.	RQD	NO	NO	NO	Facilities Management	1000
Leases/Rental Agreements							
<\$1,000 per anum	Single, one-time leases or rental agreements less than \$1,000 must be paid on a PO or an SOP. Rental agreements must be reviewed by OLA.	YES	YES	NO	NO	Office of Legal Affairs	1000
>=\$1,000 per anum	Lease or rental agreements or rentals with multiple uses must be reviewed by OLA and be paid by PO.	RQD	N/A	N/A	N/A	Office of Legal Affairs	1000
Legal Services	All legal services will be purchased by OLA.	N/A	N/A	YES	YES	Office of Legal Affairs	1000
Mailings >200 pieces	All mailings greater than 200 pieces must be done through the University Services Mailroom so that the University stays in compliance with US Postal requirements and so that departments receive the benefit of metered mail pricing.	N/A	N/A	N/A	N/A	Mailroom	1000
Memberships and Subscriptions	Institutional memberships in professional organizations are maintained by the University through it's divisions. Personal memberships in professional organization and subscriptions to professional publications may be paid with University Funds only when an institutional membership or subscription is not available and the best interests of the University are served by the purchase. All initial membership and subscription payment records must contain required approvals in writing and an explanation of the essential nature of the membership or subscription to the mission of the University. Renewals require fund signer approval only	N/A	N/A	Yes	Yes	VP Approval for Insituitional Memberships and Subscriptions; Supervisory Approval for Personal Memberships and Subscriptions	1000
Merchant Card Payment Processing	Purchases that involve the taking of payment must be reviewed by the AVP Controller.	RQD	NO	NO	NO	AVP Controller	1000
Office Supplies	Employees must purchase office supplies from OU's office supply preferred vendor, unless the preferred provider does not have the type of product or time constraints require a different method. Brand name substitutions do not exempt departments from using the required vendor.	YES	YES	YES	YES		1000
OU Bookstore	Department purchases at the OU Bookstore are direct billed. Provide your name and fund number at the time of purchase.	N/A	N/A	N/A	N/A		1000
Prepaid Travel							

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Employee Paid	Employees may pay for their personal administrative travel arrangements in advance and be reimbursed. To be reimbursed before departure, use the PV; to be reimbursed after travel is complete, use the Travel Expense Summary per OU AP&P 1200. Direct Deposit is required for all employee reimbursements.	N/A	N/A	YES	N/A		1200
University Paid	Departments may make travel arrangements using the best payment method available. Travel arrangements for groups require a PO.	>\$5K	YES	YES	YES		1200
Printing/Photocopying	All copy services and outsourced printing must be purchased by the University Services Print Shop unless the Print Shop is not able to provide the service or quick copy services are needed outside of normal business hours.	YES	YES	NO	NO	University Services	1000
Preferred Provider Payments	Purchasing has negotiated preferred rates with certain providers. The list of providers and preferred purchasing method can be found on the Purchasing website. In the normal course of business, departments must use these providers to ensure that the University receives the benefit of the pricing and keep costs down. For questions about preferred provider arrangements, contact Purchasing.	YES	YES	YES	YES	Purchasing	1000
Previously Contracted Fees	Benefits, insurance, mortgages, utility bills, payroll, preferred provider payments and other University wide contracted obligations may be paid by the department administering the obligation using a PV or the P-Card. Once the initial contract is signed by a fund signer with the correct commitment authority, payments may be authorized by a fund signer that is responsible for confirming that services or goods have been received.	NO	NO	YES	YES		262, 1000
Radio Communication Equipment	All radio communication equipment purchases must be reviewed by the Police Department.	>\$5K	YES	NO	YES	OU Police Department	655
Radioactive Materials	All radioactive materials must be purchased by the Laboratory Compliance Manager in Environmental Health and Safety	RQD	NO	NO	NO	Environmental Health & Safety	620
Refunds	To process a refund, submit the deposit slip and supporting documentation with the Payment Voucher.	NO	NO	YES	NO		1000
Reimbursements							
Employee Purchase \$500 or less	Employees may make small dollar (<=\$500.00) out of pocket purchases and be reimbursed as long as the purchase does not circumvent other policies and procedures. Payments for software, payments to individuals and purchases from the OU bookstore will not be reimbursed. Employees must participate in direct deposit to receive reimbursement.	NO	NO	YES	NO		1000
Employee Purchase >\$500	Employees should not make out of pocket purchases in excess of \$500 except for travel reimbursement (see OU AP&P 1200). Employees must participate in direct deposit to receive reimbursement.	RQD	NO	NO	NO		1000

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Petty Cash	Follow OU AP&P 266 Petty Cash for information on allowable use of petty cash. Submit receipts on a PV for reimbursement.	NO	NO	YES	NO	Accounting	266
Security Equipment	All security equipment purchases must be reviewed and approved by the Police Department.	YES	YES	N/A	YES	OU Police Department	674, 675
Services							
Professional	Consulting, training, design, and other professional services require an OU Services Agreement or contract approved by OLA. For services provided on campus, a certificate of insurance is required (see Risk Management). See Independent Contractor above for information on requirements for paying individuals providing services.	>\$5K	NO	YES	NO	Accounting, Risk Management, Office of Legal Affairs	1000
Maintenance and Repairs	Maintenance and repairs services for operations. For services provided on campus, a certificate of insurance is required (see Risk Management). Insurance is required for on campus services, regardless of payment method. See Independent Contractor above for information on requirements for paying individuals providing services.	YES	YES	NO	YES	Accounting, Risk Management	1000
Signs							
Permanent	All permanent signs must be purchased by Facilities Management.	>\$5K	YES	N/A	YES	Facilities Management	320
Temporary	All temporary signs must be reviewed by Communications & Marketing	>\$5K	YES	N/A	YES	Communications & Marketing	320
Software	See Information Technology section above.						
Sponsorships and Donations	Sponsorship payment documentation for attended events must list the attendees. Sponsorship and donation payment documentation must explain how the payment supports the mission of the University.	N/A	N/A	YES	NO	President or Vice President	207
Stipends and Awards	Student stipends and awards must be approved by the Financial Aid Office (FAO). Both employee and student stipends for working must be paid through the Payroll Office. If the FAO reviews a student stipend or award and determines that it must be paid through Accounts Payable, submit using the Payment Voucher with all supporting documentation attached. Reportable payments to students already on Payroll for the calendar year must be made through Payroll.	NO	NO	YES	NO	Financial Aid	1000

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Students Payments	All <u>non-payroll payments to students or on behalf of students</u> , except for reimbursements, must be approved by the Financial Aid Office. All payments for work (including graduate student stipends) must be paid through payroll. The Financial Aid Office (FAO) must approve all payments made on behalf of students, regardless of payment method. Miscellaneous reimbursements for items purchased by the student but owned by the University do not have to be reported. Aside from the FAO requirement, payments made on behalf of students should follow the OU AP&P for that type of purchase. Example of reportable payment: the University pays for a student to travel for a poster competition. Travel is prepaid through the P-Card and on a PV. The student is reimbursed for meals and miles on a TES. All three forms of payment (P-Card, PV and TES) must be reported by the department to the FAO.	N/A	N/A	N/A	N/A	Financial Aid	1000
Telecommunications Equipment	All telecommunications equipment must be purchased by UTS.	>\$5K	YES	N/A	YES	UTS	830
Textbooks	Textbooks purchased for student use must be purchased from the OU Bookstore, unless the Bookstore is unable to obtain the book. If the Bookstore cannot provide the book, use the procurement methods indicated here; documentation that the book was unavailable from the Bookstore must be included as part of the payment documentation.	>\$5K	YES	YES	YES		1000
Tickets for Entertainment	Tickets for entertainment events must be purchased on a PO. Purchasing will determine the level of approval required.	RQD	N/A	N/A	N/A		207, 1000
Utility Bills	Contact Facilities Management for information on purchases that involve utilities.	N/A	N/A	YES	YES		1000
Vehicles	All vehicle procurement (purchase or lease) requires a PO.	RQD	N/A	N/A	N/A		1000

Notes:

Abbreviations: OLA = Office of Legal Affairs, PO = Purchase Order, PV = Payment Voucher, RQD = Required, SOP = Small Order Purchase, TES = Travel Expense Summary

>\$5K = must use PO if purchase amount is over \$5,000

The use of the SOP or PO requires that the vendor receive a copy of the PO or SOP showing OU's terms and conditions before goods or services are provided.

If Required Policy is indicated, that policy must be reviewed before making a purchase to determine all of the requirements for that purchase.

If Special Approval Required is indicated, contact the department noted before making any arrangements for your purchase. Attach proof of approval to payment documentation.