



Unauthorized Purchase Policy

Policy Number:	AF-11-003
Policy Administrator:	VP Administration & Finance & CFO
Policy Initiator:	Director, Contract Services & Procurement
Authority:	EO 669, 775 and 1057; ICSUAM 5100.00
Effective Date:	October 7, 2019
Revised Date:	June 2018
Approved:	President Thomas A. Cropper
Approval Signature:	/s/

Purpose:

This Policy establishes the process and responsibility to comply with the Executive Orders 669, 775, 1057 and California State University Administrative Manual 5100.00.

Scope:

This policy applies to all California State University Maritime Academy (Cal Maritime) personnel participating in the procurement process of the University.

Accountability:

The Director, Contract Services and Procurement (CS&P), is responsible for administering this policy and ensuring compliance.

Policy:

It is the policy of Cal Maritime that procurement of goods and/or services made by campus personnel without delegated authority or outside the authorized procurement methods shall be considered Unauthorized Purchases. Except in cases of emergency to protect human life or State property (ICSUAM 5412.00), work shall not commence on any contract until the contract has been approved by the appropriate authority. Unauthorized Purchases will be considered a personal obligation of the individual making the purchase and not an obligation of Cal Maritime.

All requests to transfer the payment obligation to the University shall be documented and reviewed for approval. Submission of documents does not guarantee that the University will accept the obligation.

Procedure:

Persons (Requestor) wishing to submit a request for the University to accept the obligation for payment of an Unauthorized Purchase must submit the following to CS&P:

1. A completed *Unauthorized Purchase Approval Request* form detailing the reasons why procurement procedures were not followed and the steps taken to prevent reoccurrence. Form must be signed by Requestor and their VP, Captain or President.
2. All related documentation regarding the purchase, such as: evidence of the purchase, receipt, invoice, packing slip, agreement/contract, required insurance documents, and warranty.

CS&P Director will review the submittal to approve or not approve based on factors including repeated violations or level of risk. If approved, the Requestor and their Vice President will be notified and the submittal will be forwarded to Accounts Payable for processing. If not approved, CS&P Director will send to Vice President Administration & Finance (VP A&F) for final review. If VP A&F does not approve, the submitted documentation will be returned unprocessed and the payment will not be an obligation of Cal Maritime.

Copies of the *Unauthorized Purchase Approval Request* will be filed for a minimum of one year. Accounts Payable will document Unauthorized Purchases and will submit information to the President or VP A&F as requested. Repeated Unauthorized Purchases shall be escalated to the University Controller and Vice President of Administration and Finance for further review.