

Purchasing and Payment Policy Related Procedures

Please note that the information in this document is every bit as important as the information in the [Purchasing and Payment Policy](#). Faculty and staff are expected to adhere to these procedures whenever possible.

A. DETERMINATION OF NEED/SELECTING A VENDOR

If a department/school needs to engage with a vendor that is not a Preferred vendor, the following factors should be considered prior to selection:

Preferred Vendors. Preferred Vendor Contracts are established by PPS for products and services needed by Northwestern departments/schools on a regular basis. Contracts are established based on the results of a formal competitive bid and/or negotiation process that involves representatives from across campus. Bidders determined to represent the best value to Northwestern become Preferred Vendors (based on price, delivery capabilities, quality, past performance, training, financial stability, ease of ordering, etc.). Departments/schools are strongly encouraged to utilize Preferred Vendors because they have been determined to represent the best overall value to Northwestern.

A [Preferred Vendor List](#) is maintained on the [PPS website](#). Also, visit the [PPS website](#) for more information on the [benefits of using Preferred Vendors](#).

iBuyNU. iBuyNU is a tool that was implemented to streamline the entire purchase-to-pay process and should be used whenever possible. It provides end-users with a web-based ordering experience for many Preferred Vendors, and is integrated with NUFinancials. iBuyNU currently includes catalogs representing millions of items that may be needed on a day-to-day basis, all of which reflect competitive discounted pricing, often delivered within 1-2 business days at no additional cost, and no sales tax is charged. POs are dispatched electronically several times a day, invoices are received electronically, workflow is streamlined, and Vendors are paid electronically.

Visit the [PPS website](#) for more information about [iBuyNU](#).

Purchases from Internal Service Units. Northwestern has elected to provide for the purchase of certain commodities and services through internal departments. Departments/schools should consider use of such programs before looking for an outside Vendor. Examples are [HR Workplace Learning](#), [Global Marketing](#), [IT](#) (audio-visual systems integration, video production and event support), and [Procurement related programs](#) (such as Travel Services, Laboratory Gas and Dry Ice, Duplicating, Mail services, etc.). Advantages of using internal providers include eliminating POs and checks (costs are direct charged to a chart string), as well as fast turnaround of products and services.

Surplus Property Exchange. PPS maintains a virtual Surplus Property Exchange Website

Procurement Diversity. Business diversity should be considered in purchasing decisions, when appropriate.

reflecting economic and cultural diversity to market their products to Northwestern and to encourage University departments/schools to offer opportunities to such Vendors. This includes small business enterprises (SBE), minority-owned business enterprises (MBE), woman-owned business enterprises (WBE), and local (Evanston) business enterprises (LBE).

[Procurement Diversity Program.](#)

Environmental Awareness.

Web Services. IT systems implemented at Northwestern shall have a set of documented web operations. If the system has development tools through which Northwestern may modify the functionality or processing of the system then Northwestern must be able to modify the system to process

Northwestern IT supports the following integration options: Event-Driven Messaging, Web APIs, Custom Point-to-Point Integrations, and ETL Tools.

Web SSO. -on (Web SSO) system, and current OpenAM version. Vendor software must make use of one of the following methods for integration Support current Northwestern SAML version, utilize current OpenAM policy agent, or use the currently implemented OpenAM REST API.

Multi-Factor Authentication. Northwestern maintains a multi-factor authentication (MFA) (<https://duo.com/>) MFA system. Applications that follow the above SSO guidelines (OpenAM agent or SAML) can integrate with Duo for MFA with no SAML environments.

Data Ownership and Availability. In the contract, Northwestern retains the sole right and ownership to all University data provided to a vendor. Data will be returned provided by the vendor to Northwestern upon request. At termination of a contract, all Northwestern data will be deleted from vendor sources.

Regulatory Requirements. When dealing with data that falls under regulatory requirements, the data must be classified and stored in accordance with those applicable requirements, and as specified in the Data Classification Policy, and associated Data Classification and Data Protection Standards. These documents cover such regulatory requirements as:

- HIPAA
- FERPA
- FSA/DoEd Compliance.
- GLBA Compliance.
- Privacy regulations (e.g., GDPR, PIPL, Biometric Information Privacy Act)
- CMMC Compliance.
- FISMA Compliance.
- Contractual Compliance.

C. USE OF NUFINANCIALS - PURCHASING

Upon conclusion of the bid process, determination of a sole source, and/or establishment of a contract, purchase and payment must be accomplished using NUFinancials.

Requesting New Vendors be Added to NUFinancials

If a Vendor needs to be added to NUFinancials, departments/schools must fill out the Vendor Add form, which can be accessed on the [NUPortal](#). This process is administered by the [Vendor File Management](#). They will verify whether the Vendor already exists in the system and check several sources to make sure the Vendor is in good standing with various Government agencies

NUFinancials. For more information related to what is required to add a Vendor to NUFinancials, visit the [Vendor File Management web page](#).

Requisitions.

The purchase of most goods and services from outside Vendors begins by initiating a Requisition (REQ) in NUFinancials. This shall occur at the time the product or service needs to be ordered, not when it is time to pay for the product or service.

Starting with a Requisition ensures that an approved and official Purchase Order (PUR) is issued.

rights and obligations, and is the legal document that governs the transaction and minimizes risk to the department/school and University. It is especially important when there is no formal

and conditions. If a Vendor submits their standard terms and conditions with a quote, they must be reviewed and approved by OGC before a PO is issued.

Verbal purchases (i.e. phone orders) are not considered valid by Northwestern, nor are unofficial POs generated through internal department/school systems or means other than NUFinancials.

- There are two primary types of requisitions:
 1. **Catalog Requisition (iBuyNU purchases).** Catalog Requisitions are used to purchase from Preferred Vendors that are included in iBuyNU.
 2. **Non-Catalog Requisition.** NUFinancials

Subcontracts are negotiated through Sponsored Research (SR).

After the agreement is fully executed, SR will send the department/school a copy of the contract.

A requisition must
SUBCONTRACT), which will be sourced into a PO but will not be sent to the subcontractor. Make sure the contract period is within the start and close dates of the budget period of the sponsored program.

Receive by Dollar Amount.

ONLY be used for service projects that involve more than one invoice to be paid over several months, or if the project requires a deposit and then a second payment upon

handled, which is enforced by PPS. PPS has leverage and the Vendor has more incentive to perform as required by the Contract. Therefore, PPS is in a much better position to resolve problems when they do arise. It is a more productive use of time to deal with the rare exceptions as opposed to requiring a receipt for every order placed through iBuyNU.

Non-catalog orders less than \$5,000. It has been determined that a receipt will not be required for orders less than \$5,000 because they are very low risk transactions and this streamlines the payment process. If an invoice for a PO under \$5,000 should not be paid, contact AP immediately to have the voucher put on hold.

Changes to Purchase Orders. Changes that need to be made to Purchase Orders that have already been dispatched to the supplier can be made directly to the Purchase Order via Add/Update PO in NUFinancials. Changes made to a PO via Add/Update PO may be routed for approval. Requests to close or cancel a Purchase Order or line on a Purchase Order should be made via the Change Order My Forms. The My Forms can be found in NUFinancials under Employee Self-Service.

D. INCORRECT OR DAMAGED SHIPMENTS

If a shipment is received with incorrect or damaged goods, the packing material, packing slip, and/or shipping ticket should be saved. These may be needed if the items have to be returned or exchanged with the Vendor. Adhere to the following to ensure incorrect shipments are handled appropriately:

The Vendor's process should be followed to obtain proper authorization and shipping/return instructions.

The department/school shall notify the Vendor immediately in writing so that appropriate action may be taken such as issuing credit or providing a replacement.

PPS may be contacted to help settle any disputes or to negotiate a settlement.

E. CUSTOMS CLEARANCE

The importing and exporting of goods are subject to the rules and regulations of U.S. Customs and may require special forms to be completed for entry. These forms should be submitted before the goods arrive in the United States.

Departments/schools should check the [PPS website](#) for contact inform

protection for Northwestern regarding guarantees, assignments, buy-out clauses, taxes, interest rate, and other items.

H. PREPAID AND PARTIAL PAYMENT PURCHASE ORDERS

The use of pre-paid -

J. MEMBERSHIP CLUBS

