

Northwestern University Alternative Procurement and Payment Methods (Non Purchase Order)

Effective: December 16, 2013

The purchase of goods and services from outside vendors is to be *preceded* by the issuance of an official Purchase Order (PO) generated by NUFInancials that is then sent to the vendor. **Initiating a Requisition needs to occur at the time the product or service is ordered, not when payment is due.** This allows for appropriate approvals to take place prior to the purchase and for NU terms and conditions to be provided to the vendor, which minimizes risk to the University and puts Northwestern in the best possible position to pay vendors in a timely manner.

However, Procurement and Payment Services (PPS) has identified some exceptions to the above for certain transaction types that are considered low dollar and low risk, where a formal PO may not be as necessary. **Please note:**

- These guidelines are meant only to clarify payment options for certain services: they do not change any other Northwestern or department/school policies and procedures. For example: purchasing flowers is not allowed as a general rule, but if it is okay from a policy perspective, the methods of payment indicated in these guidelines are acceptable; purchases that will exceed \$25,000 still require at least three competitive bids, etc.
- Even if the guidelines indicate the primary method is Payment Request or Corporate Card, departments/schools always have the option to initiate a Requisition so a PO is issued and sent to the vendor prior to the work being performed.
- Allowing the use of the Corporate Card is at the discretion of individual departments and schools.

The table on the next page offers guidelines for how to pay for some of the services in question. If you do not see the product or service listed that you are planning to purchase, then a requisition needs to be initiated so an official PO can be sent to the vendor (as described above).

1 = Primary Method: Every effort should be made to use this method to acquire and pay for these services.

2 = Secondary Method: Use this method when the primary method is not available.

When purchasing any of the services included in the guidelines, remember to use Preferred Vendor contracts whenever possible, which are established by PPS as a result of a formal, competitive bid process/negotiation.

If you have any questions or need clarification, or if you have recommendations for potential additions or deletions to the list, please contact Procurement and Payment Services at 1-8120 or procurement@northwestern.edu.

| Transaction Type <i>If you have any questions, or if you have recommendations for additions or deletions to this list, please contact Procurement & Payment Services at 1.8120 or procurement@northwestern.edu</i> | Req./PO – Sent to vendor before work is performed | Req./PO – Hold from Further Processing | Req. - Blanket Order PO | Payment Request | Corporate Card |
|---|--|---|--------------------------------|------------------------|-----------------------|
| Advertisements | | | | 1 | 1 |
| Affiliate Partners (NMH, NMFF or NMHG) | | 2 | 2 | 1 | |
| Awards/Honorariums | | 2 | | 1 | |
| Facilities Management – Construction * | 1 | 2 | | | |
| Food | | | | | |
| • Catered events * | 1 | | | | |
| • Small catering needs (box lunches, breakfast trays) | | | | 1 | 1 |
| • NU-sponsored events at off-site location | | | | 1 | |
| Government Payments/Taxes/Building Permits | | 2 | | 1 | 2 |
| Hotels | | | | | |
| • Room nights for guests (can also use NU Orbitz for Business) | | | | 1 | |
| • Planned group events * | 1 | | | | |
| Liquor (must be served by a caterer for liability reasons) | 1 | | | | |
| Memberships/Subscriptions/Conference Registration | | | | 1 | 1 |
| Miscellaneous low dollar services: flowers, picture framing, etc. | | | | 1 | 1 |
| Monthly Services (low dollar) | | | | | |
| • Coffee, shredding, drinking water | | | 1 | 1 | 1 |
| • Department-issued cell phone or pager, cable TV, internet | | | 1 | 1 | 1 |
| Ordering Online (Only when vendor requires ordering through their website and items are not available from a preferred vendor in iBuyNU. Prior approval from PRS is required to use Requisition/PO – Hold from Further Processing) | | 2 | | | 1 |
| Printing | | | | | |
| • Small print jobs | | | | 1 | 1 |
| • Large print jobs | 1 | | | | |
| Professional Services/Consulting | | | | | |
| • Formal contract is in place * | | | 1 | 1 | |
| • Search firms * | | | | 1 | |
| • Small dollar - no formal contract (i.e. photographer) | 2 | | | 1 | |
| • Emergency Services | | | | 1 | 1 |
| Rent | | | 1 | 1 | |
| Shipping (UPS, customs clearance) | | | | 1 | |
| Software (click-through agreements, apps, electronic books on NU-owned device) | | 2 | | | 1 |
| Software Licensing Renewal * | 2 | | | 1 | |
| Universities (except grant subcontracts) | | | | 1 | |
| Utilities (gas, water, water treatment) | | 2 | 1 | 1 | 1 |
| Vehicle Repairs (NU-owned vehicles) | | | | 1 | 1 |

* Should be a signed contract in place.

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2 = **Secondary Method:** Use this method when the primary method is not available.