

## **SECTION 16 – UNAUTHORIZED PURCHASES**

### **16.1 DEFINITION**

- (a) “Unauthorized Purchases” is an agreement, a commitment, or an order for goods or services, or changes to existing contracts by any person who does not have express written delegation of procurement authority to bind the University. This includes changes under existing contracts that are made by persons who do not have delegated procurement authority. Unauthorized purchases are not binding on the University. Procurement transactions in excess of a person's delegated authority are also considered unauthorized.
- (b) Unauthorized Purchases include:
- (1) Making commitments with grant money without the required approval of the Grants & Contracts Office or the Procurement Office.
  - (2) Placing an order after submitting the requisition on the assumption that the PO has or will be approved.
  - (3) Coercing a vendor to initiate an order on the promise that a PO will be forthcoming.
  - (4) Using personal funds to make a purchase of goods or services that would normally require Procurement’s involvement to secure competition, approve sole source or otherwise comply with State law and BOR policy and regulation. The University is not obligated to reimburse an employee who takes such action.
  - (5) Failure to timely submit a requisition for renewal of on going services such as maintenance agreements, etc.

**AUTHORITY: AS 36.30.040, .920, .930, .940**

**R05.06.720, .725, .727, .738, .740**