Good morning,

We would like to make you aware of certain purchasing policies that are changing. Please see below for details and timing. Please contact nau-purchasing@nau.edu with questions.

Thank you,
Becky McGaugh

Changes to Purchasing Policies PUR 205-00, PUR 301-05, PUR 302-01, PUR 801-03 and 801-05

- **What are we doing – and when?**
  - Effective immediately, all cleaners, disinfectants, hand sanitizers, and Personal Protective Equipment which includes, but is not limited to masks, clothing, helmets, goggles, or other garments or equipment designed to protect the wearer's body from injury or infection (PPE), will be centralized and may only be purchased through NAU Campus Supply.
  - Effective Wednesday, July 1, decentralized departmental limits will be permanently reduced to $2,500.
  - Effective Wednesday, July 1, all requests for Amount Only (blanket) purchase orders will be routed to Purchasing for approval.

- **Why are we doing this?**
  - Increased visibility into operational spending.
  - Increased opportunity to negotiate lower costs with vendors.
  - Improved compliance with Procurement policies.
  - Increased ability to report and track spending components.
  - Centralizing the purchases of cleaners, disinfectants, hand sanitizers, and PPE will:
    - Ensure departments have what they need.
    - Ensure NAU can meet minimum order quantities for quality products.
    - Eliminate investment in excess stock across campus.
    - Place NAU in a better position to respond appropriately if there is a resurgence of COVID-19 on campus.
    - Allow NAU to take advantage of economies of scale.
    - Ensure cleaning products have been approved for use by Facility Services and
PPE has been vetted by Environmental Health and Safety for suitability for NAU use.

- **What’s impacted?**
  - Departmental purchase requisition authority reduced to $2,500.
  - Purchasing Card transaction limit changed to $2,500.
  - Requisitions and Purchasing Cards will not be used by departments to purchase PPE.
  - Orders for cleaners, disinfectants, hand sanitizers, and PPE can be placed on-line or picked up at Campus Supply. Instruction for orders can be found [on the Campus Supply website](#) and individual training can be arranged by contacting Campus Supply.

- **What’s not Impacted by this change?**
  - Purchases that do not require Purchasing oversight, refer to Purchasing policy [302-01](#).
  - All other Purchasing polices.

- **What types of purchases will be approved as Amount Only blanket purchase orders?**
  - Utilities
    - Water
    - Gas
    - Sewage
    - Electricity
    - Wastewater
  - Leases/Real Estate Loans
  - Consulting
  - Construction
  - Construction Insurance
  - Grants
  - Reoccurring payments associated with a contract

- **Why is PPE cheaper at some vendors than at Campus Supply?**
  - To ensure the safety of essential NAU personnel and for NAU to continue operations, purchasing PPE was necessary when materials costs were at their highest, only available in certain minimum quantities and subject to incredibly long lead times. While orders during that time were placed as modestly as possible keeping a sharp eye on the market, some of the high cost material remains in stock.
  - The supply chain is starting to recover-prices are going down, items are easier to
obtain, and lead times are reducing, so NAU will see a reduction in cost over time. As lower cost items are obtained, the cost will reduce to NAU.

- It is important to note that many vendors are accepting orders for PPE and items appear to be in stock, however once the order is placed the vendor states delivery time is one to four months, or the order is cancelled. Quality issues occur frequently in low cost PPE products.

- **What is being done to reduce costs of materials through Campus Supply?**
  - Federal Public Assist dollars are available for inventory materials purchased for NAU’s COVID response.
  - NAU, ASU and UA along with other Arizona governmental entities are bidding for materials collaboratively to obtain the lowest cost possible and meet minimum order quantities.