



GRAMBLING  
STATE UNIVERSITY®

## **POLICY #57008**

(related Policy #57007)

### **'PURCHASING NON-COMPLIANCE POLICY**

**Effective Date:** January 13, 2026

**Responsible Office:** Purchasing Department

**Division:** Administration & Business Affairs / Department of Finance

#### **I. PURPOSE**

This policy establishes guidelines to prevent and address non-compliance in purchasing and procurement activities at Grambling State University (GSU), in accordance with the Louisiana Procurement Code and GSU internal procedures. It ensures accountability, transparency, and protection of institutional and public funds.

#### **II. STATEMENT OF APPLICABILITY**

This policy applies to:

- a. All faculty, staff, and administrators initiating or approving purchases.
- b. All purchases made with university-controlled funds (including state, federal, grant, and auxiliary funds).
- c. All departments and university affiliates engaged in procurement.

#### **III. DEFINITIONS**

<b>Term</b>	<b>Definition</b>
<b>Non-Compliance</b>	Any failure to follow required procurement laws or GSU policies, including unauthorized purchases, prohibited expenses, missing documentation or failure to adhere to university branding guidelines.
<b>Unauthorized Purchase</b>	A Purchase made without a valid purchase order or prior approval from the Purchasing Department.
<b>Artificial Division</b>	The intentional splitting a single purchase into multiple smaller transactions to avoid competitive bidding or approval thresholds.
<b>Prohibited Expenditure</b>	Any item or service that is not allowable under university policy, including but not limited to snacks, gift cards, alcohol, personal gifts or unbranded materials.
<b>Retroactive Approval</b>	A formal review process for considering payment after an improper or unauthorized purchase has occurred; retroactive approval is not guaranteed and may result in corrective action.
<b>Branding Non-</b>	The use, reproduction, alteration, or procurement of University logos, marks or

<b>Term</b>	<b>Definition</b>
<b>Compliance</b>	visual identities, or stylized references to the institution's name, including the Black and Gold "G", wordmark, combined logo, band G, tiger logo, without required approval or in a manner inconsistent with Grambling State University brand guidelines.

#### **IV. SCOPE OF POLICY**

##### **A. COMPLIANCE REQUIREMENTS**

All purchasing activity must:

1. Be preceded by a properly submitted requisition and issuance of a valid Purchase Order (PO).
2. Follow the applicable competitive bidding and quote requirements.
3. Be supported by available and verified budget before commitment.
4. Avoid prohibited expenditures.
5. Be signed or authorized only by personnel with delegated signature authority.
6. Be fully executed (approved) prior to delivery of goods or services.
7. Be compliant with the fiscal year deadlines for payments and receipt.
8. Be preceded by written approval from the Director of Licensing and Trademarks on any items bearing the University's name and/or marks

##### **B. EXAMPLES OF NON-COMPLIANCE**

<b>Violation</b>	<b>Description</b>
Placing an order or receiving services before a PO is issued	Considered an unauthorized purchase.
Splitting a \$50,000 purchase into multiple \$10,000 requisitions	Artificial division to evade bidding requirements.
Paying for flowers, snacks, or other personal/decorative items using state funds	Violation of prohibited expenditure rules.
Submitting a requisition without verifying available funding	Fiscal control breach.
Allowing services to occur before a contract is executed	Violates procurement policy and state code.
Repeated failure to submit requisitions in time for PO approval	Administrative non-compliance.
Signing a quote, order or contract in violation of authority	Administrative non-compliance

### C. ROLES & RESPONSIBILITIES

Role	Responsibilities
<b>Employee / Requisitioner</b>	Ensure compliance with procedures, request purchases in advance, provide accurate documentation.
<b>Department Head / Dean / Director/Division VP</b>	Approve requests, verify need and budget, prevent unauthorized purchases.
<b>Office of Purchasing</b>	Issue purchase orders, oversee procurement law compliance, provide guidance.
<b>Vice President for Finance</b>	Approves retroactive payments for non-compliant purchases; enforces sanctions.
<b>Compliance Officer / Internal Audit</b>	Investigate violations and monitor repeat offenses.
<b>Director of Licensing and Trademarks</b>	<i>Review and approve items bearing the university's name or marks</i>

### D. CONSEQUENCES OF NON-COMPLIANCE

Purchasing violations may result in one or more of the following consequences:

1. Rejection of payment or return of requisition.
2. Mandatory Procurement Noncompliance Form submission for retroactive approval.
3. Requirement to pay the vendor using non-University funds (if approval is denied).
4. Temporary or permanent loss of departmental purchasing privileges.
5. Disciplinary action for responsible employees, up to termination.
6. Referral to internal audit or state authorities in cases of fraud or serious negligence.

### E. PROCUREMENT NONCOMPLIANCE REPORTING & RETROACTIVE APPROVAL PROCESS

When the Purchasing Department becomes aware that a purchase has occurred without proper compliance (e.g., service rendered before PO issued), the following must be done:

1. The Procurement Noncompliance Form will be issued.
2. The form must include:
  - a. Date of purchase and requisition/invoice numbers.
  - b. A full explanation of the circumstances and why procedures were not followed.
  - c. A description of corrective actions taken to prevent recurrence.
  - d. Supporting documentation (invoices, quotes, communications, etc.).
3. Submit the completed form along with the invoice and requisition/expense report to Procurement Services.

4. The Vice President for Finance or their designee will review the request.
  - a. If approved, Procurement will issue a retroactive PO or send approval to Accounts Payable.
  - b. If not approved, the purchase must be paid using non-University funds.
5. Repeat violations may lead to loss of procurement privileges for the department or individuals involved.

## **V. COMPLIANCE CHECKLIST**

Checklist to ensure compliance with GSU purchasing procedures:

<b>Item</b>	<b>Yes/No</b>
<input type="checkbox"/> Was a requisition submitted and approved before ordering goods/services?	
<input type="checkbox"/> Was a valid University Purchase Order (PO) issued?	
<input type="checkbox"/> Were the required number of quotes or bids obtained based on purchase amount?	
<input type="checkbox"/> Is the purchase type allowable under university rules (not prohibited)?	
<input type="checkbox"/> Is the signer authorized delegated Vice President to commit university funds?	
<input type="checkbox"/> Has funding been verified and budget transferred (if necessary)?	
<input type="checkbox"/> Will the transaction be completed within the same fiscal year?	
<input type="checkbox"/> If services were already rendered, has the Procurement Noncompliance Form been completed and submitted?	

If any item is unchecked, STOP and contact the Office of Purchasing IMMEDIATELY before proceeding.

## **VI. QUICK REFERENCE COMPLIANCE CHART**

<b>Purchase Amount</b>	<b>Required Action</b>	<b>Quotes/Bids Required</b>	<b>Approval Required From</b>
\$0 – \$5,000	Submit requisition	None (best effort)	Department / Purchasing
\$5,001 – \$30,000	Requisition with 3 written quotes	3 vendor quotes	Department + Purchasing
\$30,001+	Requisition + public sealed bid	Formal solicitation	Purchasing + VP Finance
Contractual Services	Contract review + requisition	May require RFP	Compliance + VP or President
Emergency Purchase	Requires justification and after-the-fact approval	Documented with form	VP for Finance

## **VII. ENFORCEMENT: NON-COMPLIANCE NOTIFICATION, WARNINGS, AND CONSEQUENCES**

To ensure accountability and protect institutional resources, Grambling State University (GSU) will enforce procurement requirements through a structured system of notifications, corrective actions, and consequences.

### **1. Non-Compliance Notification Process** - When a violation of procurement procedures is identified, the Purchasing Department will issue written notification to the employee and their supervisor. Notifications may include:

- a. A description of the non-compliant activity
- b. Applicable policies or regulations violated
- c. Required corrective actions
- d. Deadlines for compliance
- e. A reminder of potential consequences for repeated or serious violations

All notifications will be documented and maintained as part of the employee's compliance record.

### **2. Warning Levels and Consequences**

#### **A. First Incident – Informal Warning**

1. Employee receives an **informal written advisory** outlining the violation.
2. Employee is required to complete refresher training on GSU procurement procedures.
3. Supervisor is notified.
4. No disciplinary action unless the violation involved intentional misconduct or created significant risk to the University.

#### **B. Second Incident – Formal Written Warning**

1. Employee receives a **formal written warning** placed in their personnel file.
2. Mandatory completion of procurement training within a specified timeframe.
3. Employee may temporarily lose procurement privileges (e.g., P-Card restrictions).

#### **C. Third Incident – Final Written Warning and Corrective Action Plan**

1. Employee receives a final written warning.
2. A Corrective Action Plan is issued, outlining:
  - a. Required remediation steps
  - b. Increased monitoring or oversight
  - c. A probationary period for compliance
3. Access to procurement tools may be suspended or revoked.

**D. Repeated or Serious Non-Compliance – Disciplinary Action**

Violations involving intentional misconduct, fraud, unauthorized contracts, conflicts of interest, or misuse of funds may result in:

1. Suspension of procurement authority
2. Mandatory reimbursement of unauthorized expenditures
3. Suspension without pay
4. Removal of purchasing responsibilities
5. Referral to Internal Audit, Human Resources, or appropriate legal authorities
6. Termination of employment for egregious or repeated non-compliance

**3. Additional Consequences** - Depending on the severity of the violation, additional actions may include:

1. P-Card cancellation
2. Reversal or cancellation of unauthorized purchases
3. Departmental financial controls review
4. Required supervisor oversight before future purchases

**4. Non-Retaliation** - Employees who report procurement non-compliance in good faith are protected from retaliation. Any retaliatory action will result in disciplinary action.

**5. Recordkeeping** - All warnings, notifications, investigations, and corrective actions will be maintained in accordance with GSU record retention policies and may be reviewed during audits or compliance monitoring.

**VIII. ACCREDITATION**

GSU is accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) to award associate, baccalaureate, master's, and doctorate degrees. GSU also may offer credentials such as certificates and diplomas at approved degree levels. Questions about the accreditation of GSU may be directed in writing to the Southern Association of Colleges and Schools Commission on Colleges at 1866 Southern Lane, Decatur, GA 30033-4097, by calling (404) 679-4500, or by using information available on SACSCOC's website ([www.sacscoc.org](http://www.sacscoc.org)).

**IX. REVISION/REVIEWED**

## PROCUREMENT NONCOMPLIANCE FORM TEMPLATE

Date: <b>DATE</b>	Document No: <b>0000</b>
Department: <b>NAME</b>	Department Head: <b>NAME</b>
<p><b>Process:</b> When a purchase was made without following the Procurement Code or established University policies and procedures, the Purchasing Department must issue this form to the Department, along with the invoice, requisition or expense report for routing. This documentation is required to request approval for payment through the Department of Finance when procurement policies were not followed.</p> <p><b>Noncompliance approval will be granted only as a one-time exception to facilitate payment to the supplier for goods or services already rendered.</b></p>	
<p><b>1. Explain the circumstances surrounding the purchase and the reason policies or procedures were not followed:</b></p> <p>Requisition #<b>R00</b> _____ was entered on <b>DATE</b>, to _____ <b>VENDOR</b> for _____ (items purchased) in the amount of \$ _____ .<b>00</b>.</p> <p>(Describe Reason/Justification of purchase) _____</p> <p>This constitutes a <b>non-compliance violation</b> under University and State procurement guidelines, as all contracts must be fully executed prior to services being performed.</p>	
<p><b>2. Describe corrective action measures implemented to prevent recurrence.</b></p> <p>To prevent future occurrences, all requisitions must be submitted <b>5 to 7 business days in advance</b> to allow Purchasing sufficient time to review and, if necessary, contact the department for corrections.</p> <p>Additionally, <b>no goods or services may be rendered without an official University Purchase Order</b> in place prior to the event or service date.</p>	
<p>If approved, a purchase order will be issued or email approval will be sent to Accounts Payable. If it is not approved, the requisition will be returned, or an email will be sent to the department instructing purchase is to be paid with non-University Funds.</p>	
<p><b>REPEAT VIOLATIONS MAY CAUSE LOSS OF PROCUREMENT PRIVILEGES.</b></p>	