Procurement Policy Violation Procedures

1. The Office of Procurement and Contracting (OPC) monitors and audits purchases on an ongoing basis to identify findings and possible violations.

2. The OPC requests specific documentation from the employee, supervisor, and department to determine if a policy or procedure violation has occurred.

3. Written notifications of any findings are issued to departments and employees where discrepancies are found with regard to applicable purchasing policies and procedures.

4. A copy of the notification is provided to the employee’s immediate supervisor and/or department head, and business manager (as applicable).

5. The initiating department will investigate the situation and complete the Unauthorized Purchase Form explaining the circumstances. The responses denoted on the form must address items such as, but not limited to:
   - The unit and person or persons responsible, funds availability, reason for delays and commitments made.
   - The reasons why proper state and/or University procurement policies and procedures were not followed and why the violation occurred.
   - A description of the terms of the commitment, when it arose, when performance ended, how the pricing was negotiated and evaluated (if ≥ $10,000), affirmation that the pricing was fair and reasonable, and hard copies of any relevant correspondence, documents, invoices, e-mails, etc., if available, that define the terms of the commitment.
   - What corrective action is planned or has been taken to improve internal controls and prevent a recurrence by the department/unit and the employees involved.

6. Any action required as described in the notification letter should be handled by the employee, the supervisor, and the department on a priority basis.

7. The initiating department, upon completing their investigation will forward their completed Unauthorized Purchase Form, attaching any and all supporting documentation, to the OPC for review.

8. Some findings may only warrant a violation warning, unless routine abuse is noted by the OPC.
9. Depending on the frequency and severity of the violation, a reduction in procurement privileges, temporary suspension of electronic requisition accounts, or a permanent withdrawal of procurement privileges for an employee or a department could occur.

10. If procurement privileges are suspended for the infraction(s), and provided no fraud or theft is involved, reinstatement of procurement privileges and electronic requisition accounts can be made after 30 days, at the request of the faculty/staff/administrator’s supervisor, with the approval of the Vice President for Operations and/or Chief Business Officer (CBO).

11. In accordance with the provisions of state of Georgia House Bill HB1113, violations involving employee malfeasance must be reported to KSU’s Department of Public Safety (DPS), KSU’s Office of Internal Audit (OIA), and the USG Office of Internal Audit (OIA).

12. The USG OIA forwards violation communications to the State of Georgia Attorney General’s Office.

13. If the Unauthorized Purchase Form is approved, the OPC will notify the employee, the employee’s immediate supervisor and/or department head, and business manager (as applicable) of the status, as well as will notify Accounts Payable that payment is/was in order.

14. If the Unauthorized Purchase Form is not approved, the OPC will notify the employee, the employee’s immediate supervisor and/or department head, and business manager (as applicable) of the status, as well as will notify Accounts Payable that a credit memo from the supplier is in order and that the purchaser will pay for the purchase personally without reimbursement from the University or, will return the purchased goods to the supplier. If the unauthorized purchase was for services that cannot be returned, then the employee that made the commitment will be responsible for resolving the matter directly with the supplier.