

PURCHASING FROM CONFLICTED VENDORS

SCOPE: All business transactions with an organization in which the MU or MURC employee has a significant financial interest (HEPC Series 31 and MU Policy AA-41) will be subject to the following procedures regardless of the dollar amount. This procedure is to be followed to allow an exception to MU Policy AA-41 Appendix 2 Significant Financial Interests paragraph 3.A. which prohibits Marshall University investigators to purchase goods and services for the University from an entity the individual or his/her family or associates have a significant financial interest.

DEFINITIONS:

1. Significant financial interest: Significant financial interest includes, but is not limited to, any economic or monetary interest that is held either by the investigator (his/her family or associates) or any entity in which the investigator (his/her family or associates) has a financial or fiduciary interest.
2. Conflicted vendor: MU investigator who purchases goods and services for the University from an entity in which the individual or his/her family or associates have a significant financial interest.

I. Goods.

1. In accordance with MU Policy AA-41, the employee must complete a Significant Financial Interest Disclosure Form (See SFID form, Office of Research Integrity website) clearly indicating the association with the vendor.
2. The employee must obtain written approval annually from the President's Office before any transaction with the vendor can be initiated. A letter of request must include the following:
 - a. A copy of the SFID form
 - b. Justification for the Use of the Conflicted Vendor or Services form (JUCVS)
 - c. Estimate of the annual business volume in dollars (JUCVS)
3. The employee will forward the above documents to the Conflict of Interest Specialist, Office of Research Integrity (ORI) who will review for completeness and forward to the President's office.
4. Notice of the approval/disapproval will be provided to the employee and MU Conflict of Interest Specialist.
5. Upon approval, the employee must provide detailed, written specifications and justification of the desired goods or services to the Director of MU Purchasing. Justification may be based on cost, preferred merchandise \, delivery timeframes or sole source provider.

6. MU Purchasing will independently determine the best vendor for the requested commodity (Quotes obtained by the employee or staff outside the MU Office of Purchasing are not sufficient for this analysis).
7. Notice of Vendor award will be communicated to the MU employee or Principal Investigator (PI) of the grant/contract and the Conflict of Interest Specialist who will forward it to the MURC Director of Financial Compliance.
8. The employee or project PI can then enter the requisition in Banner with the selected vendor.

II. Services:

1. In accordance with MU Policy AA-41, the employee must complete a Significant Financial Interest Disclosure Form (See SFID form, Office of Research Integrity website) clearly indicating the association with the conflicted vendor.
2. If the services of an individual employed by the conflicted vendor are needed, the MU or MURC project director must:
 - a. Identify the conflict of interest (current SFID on file in the ORI)
 - b. Identify the required services (JUCVS)
 - c. Describe the unique attributes/skills of the individual sought to his/her supervisor(JUCVS)
 - d. The estimated time and cost of this employment to the appropriate vice president and the Vice President of Research(JUCVS)

This justification must detail the unique contributions of this particular individual to the research, educational or service missions of MU.

3. If approved by the institutional officials, the Vice President for Research or his/her designee (i.e. Conflict of Interest Specialist) will compile this information and seek written approval from the President's Office. The request will include the following:
 - a. A copy of the SFID form
 - b. Justification for the Use of the Conflicted Vendor or Services form (JUCVS)
 - c. Estimate of the annual business volume in dollars
4. The employee and the Conflict of Interest Specialist will be notified in writing of the President's approval/disapproval.
5. Upon approval, the employee must provide these same specifications and justification to the Director of MU Purchasing.
6. MU Purchasing will independently determine if these services can be more effectively provided by any other vendor.
7. Notice of vendor award will be communicated to the MU or MURC employee or Principal Investigator (PI) of the grant/contract and the Conflict of Interest Specialist who will notify the MURC Director of Financial Compliance.

- 8.** The employee or project PI can then enter the requisition in Banner with the selected vendor.