



FINANCE
PROCUREMENT SERVICES
UNIVERSITY OF MICHIGAN

Restricted Commodities and Special Approvals

Certain goods and services are prohibited by the University from being purchased and others require special approval(s) prior to being purchased. Procurement Services facilitates the approval process by reviewing transaction requests and routing them to the appropriate unit for approval. When approval is received from the authorizing area, the transaction may then be processed. Obtaining a special approval to purchase a good or service does not exempt that transaction from the remainder of the procurement policy, including the competitive bid limit.

Certain restricted commodities may be purchased using an ePro requisition (ePro req), after obtaining special approval if required, but are altogether restricted from being purchased on the P-Card or through the use of a Non-PO voucher. Purchase of a restricted commodity or service made without obtaining proper approval is considered an unauthorized purchase and will be reported to the Board of Regents.

Below is a list of restricted goods and services, and those that require special approval(s). The list is not all inclusive and is subject to change. The list identifies the approval(s) required and the appropriate procurement method to be used after the approval(s) are obtained.



COMMODITY OR SERVICE	REQUIRED APPROVAL PROCESS	APPROVED BUYING METHOD			
		University Contract	ePro Requisition	P-Card	Non-PO Voucher
Product or service from a U-M employee or a company in which a U-M employee has an interest	Purchasing products or services under these circumstances may be considered a conflict of interest. See the Procurement Services web site and contact Procurement Services for more information about the required process for managing conflict of interest.		X		
Access Control and Security Items	University of Michigan Division of Public Safety and Security (DPSS) and Architecture, Engineering and Construction (AEC) must approve all security and access systems due to safety and security reasons. Such approvals may be done in conjunction with the appropriate campus or UMHS Key Office, each of which maintains their respective systems for key access. Contact Facilities Procurement for assistance.		X		
Air Conditioner (window or portable)	The use of window or portable air conditioning units must be approved by Plant Operations to assess proper electrical requirements. Contact Facilities Procurement for assistance.		X		
Airline Club Membership	The purchase of airline club memberships is not allowed using university funds and is not a reimbursable expense. See the Travel and Business Hosting Expense Policies and Procedures and the Procurement Services web site.				
Alcoholic Beverage - Hosting Reimbursement	The purchase of alcoholic beverages is limited. See the Travel and Business Hosting Expense Policy and the Office of the Vice-President and General Counsel web site.			X	X
Alcoholic Beverages - Served at Events on University of Michigan Campuses	See the Office of the Vice-President and General Counsel web site and the Travel and Business Hosting Expense Policy .			X	X
Animals - vertebrate	The purchase of all vertebrate animals must be approved by the University Committee on Use and Care of Animals (UCUCA) for the animal protocol. Many departments coordinate their animal purchases through the Unit for Laboratory Animal Medicine (ULAM).	X	X		
Architectural Services	The U-M Standard Practice Guide 507.04 specifies that the Executive Director of Architecture, Engineering and Construction (AEC) must approve all requests for architectural and related engineering services. Contact Facilities Procurement for assistance. For approval and procedures within University of Michigan Hospital and Health Centers contact UMHHC Facilities Services .	X	X		



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Auditors	Use of the university's external auditor, Price Waterhouse Coopers (PWC), must be reviewed by University Audits .		X		
Biological Safety Cabinets (BSC)	Contact Occupational Safety and Environmental Health (OSEH) at (734) 647-1143. A site evaluation is required for certification of new and relocated biological safety cabinets. The following manufacturers have been approved for the purchase of Class II BSCs: Baker, ESCO, Labconco, Nuaire (<i>exception - NU430 & NU440 are banned</i>), and Thermo-Fisher. All other manufacturers and models require qualification testing onsite, coordinated through OSEH.	X	X		
Biological Toxins (Select Agent Toxins [Abrin, Botulinum neurotoxins, Short paralytic alpha conotoxins, Diacetoxyscirpenol (DAS), Ricin, Saxitoxin, Staphylococcal Enterotoxins (Subtypes A, B, C, D, E), T-2 toxin, Tetrodotoxin])	The acquisition, purchase or transfer of Select Agent (SA) toxins at the University of Michigan, regardless of the quantity, requires prior approval by the University of Michigan Responsible Official (RO). Prior to purchase contact the RO within Occupational Safety and Environmental Health (OSEH) Biological Safety at (734) 647-1143. The following information must be provided: name of the individual requesting the toxin, address, telephone number, email address, as well as the intended use, quantity and source of the agent.		X		
Capital Equipment	All equipment purchases \$5,000 and over for the Ann Arbor, Flint and Dearborn campuses must be categorized as capital equipment and must be handled by the appropriate procurement team . Some departments or units have more restrictive requirements for the purchase of capital equipment. All U-M Hospital and Health Centers equipment purchases \$500 and over must be approved by UMHHC Facilities Services .	X	X		
Charge Cards (Credit, Debit, Merchant)	Application for charge cards (credit, debit) other than the university P-Card is not allowed. The U-M Merchant Card, known as the M-Card, is managed by the Treasurer's office and can be used by faculty, staff, students, U-M retirees, and others. Visit the Treasurer's Office web site for more information.				
Chemical or Oil Storage	Occupational Safety and Environmental Health (OSEH) must be contacted prior to storing chemicals or oil. Areas and operations of concern include: underground storage tanks, degreasing operations, hydraulic lifts, drum storage, waste oil tanks, and waste collection areas.		X		



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Cleaning Operations	Occupational Safety and Environmental Health (OSEH) must review all activities involving the use of chemicals and detergents that potentially could release pollutants into the environment. Pollutants include anything other than pure tap water.		X		
Clinical Equipment for Patients	All patient clinical equipment regulated under the Environment of Care section for the Joint Commission must go through the UMHHC department for tracking. This is accomplished only by placing orders using MPathways ePro requisition buying method. Questions can be directed to the Hospital Facilities department Capital Budget Manager or the Health System's Contracting and Procurement Staff .		X		
Computer Software License and Maintenance Agreements	Software requiring a signed license must be forwarded to Procurement Services for review and signature. The first place to check when procuring software is with ITS Site Licensing to determine if the university currently has a license for the desired software. Secondly, contact the university Strategic Suppliers who can offer many software packages at discounted prices. Contact Technology Procurement for further assistance.	X	X	X shrink-wrapped only	
Computer Systems (major administrative systems)	Contact Technology Procurement for assistance. If the system will connect to a University's network, the appropriate technology department (MAIS, MCIT, Flint, Dearborn etc.) should be consulted prior to the purchase.		X		
Construction Contracts	Construction contracts must only be approved and signed by persons with the appropriate delegated authority. See Delegation of Authority . Contact Facilities Procurement for assistance.		X		
Donations	Most donations and contributions of University funds are not permitted under the State of Michigan Constitution. However, there are some situations in which the University is able to use its money and resources to support the needs of others. These situations must be approved in advance by the University Controller.				
Engineering Services	U-M Standard Practice Guide 507.04 specifies that the Executive Director of Architecture, Engineering and Construction (AEC) must approve all requests for architectural and related engineering services. Contact Facilities Procurement for assistance. For service required within the University of Michigan Hospital and Health Centers contact Hospital Facilities for approval and required process.	X	X		



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Equipment or Systems Venting to Air or Discharging to Sewer	Occupational Safety and Environmental Health (OSEH) must review and approve modifications to existing or new installations of equipment or systems when air ventilation, treatment systems or water discharges are involved. Contact Occupational Safety and Environmental Health .		X		
Ethyl Alcohol Tax-Exempt (Ethanol, Research Grade, 190 and 200-proof)	Purchase and storage of ethyl alcohol is restricted per Federal Regulations Title 27: Alcohol, Tobacco and Firearms, Part 22-Distribution and Use of Tax-Free Alcohol Section 22.102 Prohibited Uses . The Biomedical Research Store has an inventory of small quantities. For instructions and forms for ordering ethyl alcohol see U-M Ethyl Alcohol Program .	X			
Exhaust Ventilation	Installation of any exhaust ventilation designed to remove chemical, biological or radioactive contamination or any air emission source must be reviewed and approved by Occupational Safety and Environmental Health (OSEH) .	X	X		
Facility Renovation of, or Alteration to, University of Michigan Owned Property	All internal and external modifications to University of Michigan property must be approved by Architecture, Engineering and Construction (AEC) or Plant Operations . Contact Facilities Procurement for assistance. For service required within University of Michigan Hospital and Health Centers contact Hospital Facilities for approval and required process.	X	X		
Firearms and Ammunitions	The purchase or possession of firearms must be approved by University of Michigan Division of Public Safety and Security (DPSS) .		X		
Floor Coverings (including Tile, Carpeting, etc.)	Due to facility codes and regulatory issues, purchase of floor coverings must be approved by Architecture, Engineering and Construction (AEC) or Plant Operations . Some floor covering may be purchased directly through the university's Strategic Suppliers. Contact Facilities Procurement for assistance. For service required within University of Michigan Hospital and Health Centers contact Hospital Facilities for approval and required process.	X	X		
Food Service Operation	Any structural, equipment, or process change to any facility requires plan review by Occupational Safety and Environmental Health (OSEH) . Departments interested in food service operations in their building should refer to the Food Service Planning Guidelines, Process & Tools .	X	X		



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Fume Hoods (Chemical, Laminar Flow, Hybrid)	Site evaluation and certification by Occupational Safety and Environmental Health (OSEH) is required. Contact OSEH for a site evaluation and certification of new and relocated fume hoods at (734) 647-1143. Refer to the Architecture, Engineering and Construction (AEC) Design Guidelines for current manufacturers, models, and features that have been approved for purchase. For service required within University of Michigan Hospital and Health Centers contact Hospital Facilities for approval and required process.	X	X		
Furniture	Due to facility codes and regulatory issues, purchase of furniture must be approved by Interior Design and/or facility managers. Some furniture may be purchased directly through the University's Strategic Suppliers. Approval to purchase furniture is generally granted by the unit or the facility manager. Access to order from furniture catalogs on M-marketsite requires departmental approval and a special request for such access to Procurement Services. Ordering and billing information can be found in each Furniture Supplier's link on the University Contracts website. For off-contract purchases contact Facilities Procurement for assistance. For service required within University of Michigan Hospital and Health Centers (contact Hospital Facilities for approval and required process.	X	X		
Gas Chromatograph (GC) / Electron Capture Detectors (ECD)	Gas Chromatograph / Electron Capture Detectors may contain a radioactive foil that must be inventoried and leak-tested twice a year by Occupational Safety and Environmental Health (OSEH) - Radiation Safety Service (RSS). Prior to purchase, contact OSEH/RSS (734) 764-6200.	X	X		
Gas (Compressed, Hazardous, Toxic and Pyrophoric)	Compressed gases can be extremely dangerous if not stored and handled properly. In addition, there are various building and fire codes that restrict the quantity of corrosive, flammable, oxidizing, pyrophoric, and toxic gases allowed in a lab and building. The University Contract for compressed gas includes a Hazardous Gases Program. This program was instituted by U-M Occupational Safety and Environmental Health (OSEH) with Procurement Services in order to provide a safe working environment in U-M research facilities. The program requires written OSEH approval for listed hazardous gases in cylinder sizes larger than a lecture bottle (size LB). Specific hazardous gases requiring approval are: Carbon Monoxide, Chlorine, Fluorine, Hydrides (arsine, disilane, diborane, germane, phosphine, and silane), Hydrogen, and Hydrogen Sulfide. Oxygen over	X	X		



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	25% also requires approval. Hazardous gases not specifically listed must still be used in compliance with NFPA 45, NFPA 55, and OSEH. Contact OSEH at (734) 647-1143 or visit http://www.oseh.umich.edu/guidelines/cgu.shtml for additional information. See the Procurement Services website for the current university gas contract, and instructions and forms for ordering compressed hazardous gases.				
Glove Boxes: Isolation and Containment Chambers	The purchase of glove boxes for laboratory use, of chemical or biological agents, requires approval by Occupational Safety and Environmental Health (OSEH). To start the approval process contact OSEH for a site evaluation at (734) 647-1143	X	X		
Heavy or Industrial Equipment	Equipment requires additional review and approval by Occupational Safety and Environmental Health (OSEH) for safety and environmental considerations prior to purchase. Contact OSEH at (734) 647-1143.		X		
Human Tissue	Human tissue is defined as: bone, ligaments, tendons, fascia, cartilage, ocular tissues (corneas and sclera), skin, vascular grafts (veins and arteries), amniotic membrane (when used alone, without added cells) for ocular repair), pericardium, dura mater, heart valve allograft, hematopoietic stems cells derived from peripheral or umbilical cord blood, semen, oocytes, and embryos. Tissue must be purchased from a supplier using good manufacturing practices and appropriate procedures. The FDA requires that the supplier undergo a Supplier Qualification to ensure that the supplier meets the regulatory requirements. The Good Tissue Manufacturing and Laboratory Practice (GTMLP) team (within UMHS Quality Improvement) conducts the thorough Supplier Qualification program for all suppliers of human tissue. Contact the GTMLP team at (734) 615-0529 pager #35619 to ensure the supplier has been qualified and for any questions.		X		
Insurance	All insurance acquisitions require approval from Risk Management .				
Insurance (Life, Health, and Travel for U-M Students)	Must be reviewed by Procurement Services. Contact Procurement Services for assistance. See the Student Life, University Health Service, Managed Care/Student Insurance Office website or contact the Managed Care office at (734) 764-5182.	X			



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Interior Design (Outside Contractors)	For projects \$5,000 and over contact U-M Interior Design or Facilities Procurement . For projects under \$5,000 see the UManage Facilities Services Program . For services required within University of Michigan Hospital and Health Centers contact Hospital Facilities for approval and required process.		X		
Land Purchases	Regents Bylaw 3.07 states that the Regents of the University of Michigan have to approve the acquisition or sale of real estate. Contact the University's Real Estate office at (734) 763-2302 for more information or assistance. See SPG 601.23 .				
Laser Devices	A site evaluation is required by Occupational Safety and Environmental Health (OSEH). Contact OSEH at (734) 647-1143 for a site evaluation prior to purchasing a Class 3B or 4 laser .		X		
Lease Agreements (Equipment or Products)	Lease agreements for equipment or products, other than real estate, require review and signature by Procurement Services. A lease requires review by Procurement Services regardless of whether the supplier accepts a university purchase order in lieu of any other signed agreement.		X		
Lease Agreements (Property)	Contact the University's Real Estate office at (734) 763-2302 for information or assistance. See SPG 601-23 .				
Lease Agreements (Tax-Exempt or Municipal)	University of Michigan policy discourages the use of tax free municipal leases unless there is a significant benefit to the University. Use of this type of lease requires monitoring and reporting by the department. The requesting department must sign a service level agreement with the university to use this form of lease. All municipal leases require review by the University Tax Office , and review and signature by the Executive Vice President and Chief Financial Officer. Contact Procurement Services for assistance with this process.		X		
Legal Services	The purchase of any legal services must be approved by the Office of General Counsel (OGC).	X	X		
License Agreements	Only Procurement Services procurement agents have the delegated authority to sign these agreements. Contact Procurement Services for assistance.		X		



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Liquid Scintillation Counters or Gamma Counters	Liquid scintillation counters (LSC) and gamma counters may contain a radioactive sealed source that must be inventoried by Occupational Safety and Environmental Health (OSEH) - Radiation Safety Service (RSS). Prior to purchase contact OSEH/RSS (734) 764-6200.	X	X		
Maintenance Agreements	Most maintenance arrangements require the signing of an agreement. Only Procurement Services procurement agents have the delegated authority to sign these agreements. Contact Procurement Services for assistance.	X	X		
Nuclear Magnetic Resonance Device	The purchase of any NMR device used for research imaging purposes must first be approved for purchase by Occupational Safety and Environmental Health (OSEH). Contact OSEH at (734) 647-1143.	X	X		
Parking Tickets and Moving Vehicular Violations	Parking tickets and moving violations cannot be paid with university funds or sponsored funds.				
Pest Control	Contact Occupational Safety and Environmental Health (OSEH) at (734) 647-1143 for university guidelines regarding the purchase of any pest control services.		X		
Pharmaceuticals	Pharmaceuticals can only be purchased by units holding an appropriate DEA license. For units with a DEA license, the purchase of pharmaceuticals is normally done from a contract. Contact Procurement Services with your pharmaceutical purchase needs to establish a contract or to be referred to an existing contract.		X		
Precious Metals (Silver, Gold, Platinum, etc.)	The purchase of precious metals must use account code 615050 for tracking by Financial Operations.		X		
Protected Health Information (PHI)	Health Information Portability and Accountability Act (HIPAA) require the University of Michigan to sign Business Associate Agreements with all Business Associates prior to beginning work with them. A Business Associate is someone who does not work for the University of Michigan and needs access to our patient's Protected Health Information (PHI). In order for the University to share PHI with a Business Associate, a Business Associate Agreement must be signed by both parties. Contact Procurement Services for assistance.	X	X		



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Radioactive Material	The purchase or acquisition of radioactive materials by researchers at the University of Michigan is restricted and requires prior approval by Occupational Safety and Environmental Health (OSEH) – Radiation Safety Service (RSS). Prior to purchase contact OSEH/RSS (734) 764-6200. Radioactive material orders and invoices <u>must</u> include a clearance code number issued by OSEH-RSS. See specific instructions for placing radioactive material orders .	X	X		
Relocation (Moving Expenses)	Contact Human Resources for policy on moving expenses.				
Renovations or Alterations to Facilities Leased to the University of Michigan	For leased facilities, the approved method varies by lease agreement. Lease agreements may require work to be performed by the landlord. A lease may also stipulate the use of a specific contractor(s) or may allow the university to have work performed in a manner similar to a university-owned facility. Work must be approved through the University Real Estate Office for leased facilities (734) 763-2302. Contact Facilities Procurement for assistance. For service required within University of Michigan Hospital and Health Centers contact Hospital Facilities for approval and required process.		X		
Research Facilities	Project requests and design plans for any research facility must be reviewed and approved by Occupational Safety and Environmental Health (OSEH).		X		
Respirator (excluding dust masks)	University employees <u>must</u> obtain all respirator devices through Occupational Safety and Environmental Health (OSEH). Filtering facepieces, i.e., “Dust Masks”, used for nuisance dust activities can be obtained through OSEH or purchased through the M-marketsite website. All University employees that utilize respiratory protection are covered under the University of Michigan Respiratory Protection Program. One exception is Hospital employees that use an N95 respirator for protection against infectious diseases and are covered under UMHS’ Respiratory Protection Program. Please contact OSEH at (734) 647-1143 if you have any questions or concerns regarding Respiratory Protection.	X	X		
Security Equipment	Purchase of these items requires approval by the Public Safety and Security. Please contact Public Safety and Security at (734) 763-3434 for approval. Contact Facilities Procurement for assistance. For service required within University of Michigan Hospital and Health Centers contact Hospital Facilities for approval and required process.	X	X		



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Self-Luminescent (Tritium H-3) EXIT Signs (<i>not</i> reflective or electrical EXIT signs)	Self-luminescent EXIT signs contain a radioactive gas tritium (H-3). Occupational Safety and Environmental Health (OSEH) – Radiation Safety Service (RSS) must maintain an inventory of these self-luminescent EXIT signs. This does NOT apply to reflective EXIT signs or electrical EXIT signs. Prior to purchase contact OSEH/RSS at (734) 764-6200.	X	X		
Services by Individuals	The purchase of any services from an individual must be processed through PeoplePay. The PeoplePay tool provides instruction on the proper method for each transaction.		X		
Services Provided by Supplier	All services performed by suppliers are to be purchased on a contract or ePro requisition to ensure compliance with University policies and the requirements of the unit will be met. For assistance in placing an order for services, please contact the Procurement Services area appropriate for the type of service required. Contact Procurement Services for assistance.	X	X		
Superconducting Magnetic Resonance Spectrometry Devices (or Fourier Transform Mass Spectrometry)	The purchase of any device with a magnet rated at 2 Telsa (2T = 20,000 gauss) or more must first be approved for purchase by Occupational Safety and Environmental Health (OSEH). Contact OSEH at (734) 647-1143.		X		
Telecommunication Systems	Telecommunications systems requirements must be approved by ITS Communications Systems and Data Centers . Contact Technology Procurement for assistance.		X		
Vehicles (Transportation)	All University vehicles are purchased or leased, and disposed of by Parking and Transportation Services (PTS), including those obtained by departments as gifts or under research grants. It is not permissible for a department to acquire a vehicle independent of PTS. Refer to SPG 601.21 . The purchase, rental or lease of 15-passenger vans is prohibited.		X		
Vending, Food and Beverage	Due to regulatory requirements, vending services for food and beverages must be procured using the university’s vending service contract. Approval should also be obtained from the department facilities manager and/or administrator. See University Contracts for additional information.	X			
Viral Vector Kit (including adenoviral, lentiviral, retroviral)	The use of a viral vector kit or construct (including adenoviral, lentiviral, retroviral) is considered to be recombinant DNA work. The Institutional Biosafety Committee (IBC) oversees all recombinant DNA work at the university, and work with viral vectors requires approval by the IBC before it may begin, even if you are not making the viral vector construct yourself. If you do not currently have IBC approvals contact IBC to	X	X		



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	initiate the registration process. Contact the IBC for questions or additional information at (734) 936-3934 or ibcquestions@umich.edu .				
Window Covering	Due to facility codes and regulatory issues, purchase of window coverings must be approved by Architecture, Engineering and Construction (AEC) or Plant Operations . Contact Facilities Procurement for assistance.		X		
X-ray Machines	The purchase or acquisition of an x-ray machine or radiation-producing device requires Occupational Safety and Environmental Health (OSEH) - Radiation Safety Service (RSS) approval and must be registered with the State LARA by RSS prior to first use. Contact OSEH/RSS for assistance at (734) 764-6200.	X	X		