

Prohibited Expenditures & Procurement Restrictions

Use this guide to quickly identify purchases or reimbursements that are generally not permitted with university-managed funds unless specifically authorized by law or University policy.

BEFORE USING UNIVERSITY-MANAGED FUNDS

Review the categories below. An exception must be specifically authorized by law or University policy.

PROHIBITED PURCHASES

- Alcoholic beverages.
- Louisiana sales tax (NSU is tax-exempt).
- Food, beverages, office parties, coffee breaks, hospitality supplies, and special meals, except for approved University-hosted events or authorized emergency situations.
- Individual professional licenses, certifications, dues, or memberships that primarily benefit the employee.
- Motor vehicle license fees.

PROHIBITED PURCHASES

- Civic or local organization memberships.
- Gifts, gratuities, or items of economic value are provided to employees beyond approved compensation and benefits.
- Plaques, trophies, or awards unless part of an approved recognition program.
- Subscriptions or magazines unrelated to university business.
- Live Christmas trees in public buildings.

ETHICS & CONTRACT RESTRICTIONS

- Complimentary books provided to employees may not be sold or purchased.
- Current state employees generally may not perform personal, professional, consulting, or social service contracts for the University unless specifically exempted by law.
- Former employees are subject to Louisiana ethics restrictions regarding contracts and transactions involving their former department for two years after separation.
- University funds may not be donated, loaned, pledged, or given to private individuals or organizations except as authorized by law.

PROCUREMENT RESTRICTIONS

Events, Postage & Purchase Thresholds

Additional restrictions apply to catered public events, outgoing mail, and purchases that may be divided to avoid procurement requirements.

EVENT & CATERING REQUIREMENTS

- University-sponsored public events must use the University's contracted food service provider.
- Departments may not self-cater public events.

POSTAGE

Outgoing mail must be processed through the University Post Office. Limited exceptions for stamps require written justification and approval.

ARTIFICIAL DIVISION OF PURCHASES

Purchases may not be intentionally split to avoid competitive bidding requirements or procurement thresholds.

CURRENT SMALL PURCHASE LIMITS

THRESHOLD

Up to \$30,000

No competitive bid required.

THRESHOLD

\$30,000-\$60,000

Telephone quotes from at least three sources.

THRESHOLD

\$60,000

Sealed Bid required.

EXAMPLES OF PROHIBITED ARTIFICIAL DIVISION

- Multiple purchases of the same commodity below bidding thresholds.
- Repeated purchases from the same or similar vendors to avoid quote requirements.
- Splitting a larger purchase into multiple requisitions.

PURCHASING REVIEW

What may happen

The Purchasing Department may combine requisitions that appear artificially divided and require the appropriate bidding process unless a valid business justification is provided.