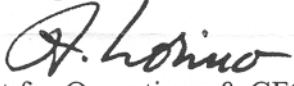


Anthony P. Lorino
*Senior Vice President for Operations
and Chief Financial Officer*

MEMORANDUM

To: Deans, Directors, and Department Heads

From: Anthony P. Lorino 
Senior Vice President for Operations & CFO

Date: February 16, 2004

Re: Purchasing Policies

Several years ago Tulane introduced a Purchasing Card (P-card) Program to help improve the University's business processes and improve efficiency in completing relatively low-dollar-value purchasing transactions. The P-card Program was a recommendation included in the Action Plan resulting from an external review of the University's procurement practices. The University Senate approved the Action Plan on November 1, 1999.

A recent review of the status of the program, which included input from the University community representing a wide range of operational concerns, showed the P-card to be extremely successful in its ease of use, reducing overhead costs, and contributing to quicker processing and delivery of goods. Of the approximately 320 departments within the University, 186 are currently participating in the program, and more than 23,000 P-card transactions were recorded in fiscal year 2003.

As a natural progression of the P-card Program, effective July 1, 2004, the use of the P-card by University departments will be mandatory for most departmental purchases less than \$500. Beginning July 1, 2004, Purchase Requisition and Request for Payment Forms will no longer be accepted or processed for these low-dollar-value purchases, which can be obtained with the P-card. Exceptions are items currently prohibited as specified in the P-card Policies and Procedures in the P-card Web site. Future communications will provide additional information on the specifics of this policy over the next several months.

University departments without P-cards should contact Purchasing Card Administration at ssovins@tulane.edu or visit www.tulane.edu/~pcard to begin the process of obtaining P-cards, receiving training for their use, and to learn more about the P-card Program.