



## The Purchasing Department's Policies



## The Purchasing Department's Policies

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## The Purchasing Department's Policies

### Introduction:

The University of Scranton's Purchasing Department strives to acquire most goods and services through the use of contract with appropriate terms and conditions to properly protect the University. When bids are required by policy, they are conducted on an open and competitive basis and without favoritism. Interested suppliers will receive fair and impartial consideration.

### Mission:

Through strategic, sourcing, contract management and innovative solutions. The Purchasing Department strives to further the mission and goals of the University by facilitating the procurement process, minimizing risk and maximizing value in each transaction.

The Purchasing Department also places an emphasis on exceptional customer service, responsible stewardship and professionalism.



## The Purchasing Department's Policies

### Service:

The Purchasing Department provides procurement tools, policies, standards, and procedures needed to accomplish the Mission of the University while establishing strategic alliances and promoting community relations. The Purchasing Department assist in identification of sources of supply for a particular product of service and bidding services. Also, The Purchasing Department sets policies and procedures on bidding requirements that comply with legal, statutory and federal purchasing regulations or guidelines. The Purchasing Department will assist departments in identifying potential suppliers and obtaining bids. Large and/or complicated transactions, a request for proposal (RFP) or invitation for bid (IFB) will be sent to potential vendors to ensure the appropriate specifications or scope of work, price and contract terms are present.

The Purchasing Department will assist the departments by verifying that contract terms are followed, pricing/payment terms are beneficial, and goods/services are received properly.

The Purchasing Department is authorized and assigned the responsibility of contracting for goods and services with the following exceptions:

- a) Bookstore purchases.
- b) Dining Services, purchase of food.
- c) Library, purchase of books or periodicals.
- d) Personnel Services Contracts.
- e) Insurance and Financial Services.
- f) Construction Contracts.
- g) Consulting Contracts for Construction Managers (CM), Legal, Audit, Medical and Dental, Architecture and Engineering, and other professional consulting services.
- h) Other exceptions as determined by the President and/ or Senior Vice President of Finance and Administration, Treasurer.



## The Purchasing Department's Policies

### Code of Ethics:

Individuals purchasing goods and services on behalf of the University of Scranton shall conduct business in a manner that is consistent with both the Mission of the University and The Purchasing Department, as well as the Jesuit principles on which the University was founded. Purchasing activities shall be conducted in a professional manner and all qualified vendors should be given equal opportunity to compete for university business.

Purchasing decisions should be made with integrity and objectivity, free from any personal bias or benefit. In addition, employees of the Purchasing Department as well as those faculty and staff purchasing goods and services as permitted shall conduct themselves in accordance with the Code of Ethics established by the National Association of Educational Procurement (NAEP):

- a) Give first consideration to the objectives and policies of my institution.
- b) Strive to obtain the maximum value for each dollar of expenditure.
- c) Decline personal gifts or gratuities.
- d) Grant all competitive supplier's equal consideration as far as state or federal statute and institutional policy permit.
- e) Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
- f) Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- g) Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
- h) Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration or other third-party review, as far as the established policies of my institution permit.
- i) Accord a prompt and courteous reception as far as conditions permit to all who call on legitimate business missions.
- j) Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
- k) Foster fair, ethical and legal trade practices.
- l) Counsel and cooperate with NAEP Members and promote a spirit of unity and a keen interest in professional growth among them.



## The Purchasing Department's Policies

The following examples should never be used, these can damage the University of Scranton's reputation.

- Giving fictitious information regarding a competitor to extract similar terms from the supplier.
- Requesting bids without the intent to purchase.
- Letting one supplier see another supplier's proposal.
- Obtaining concessions by promising future orders, knowing such orders are unlikely or will never occur.
- Obtaining a sophisticated proposal from a supplier that took time and resources to prepare without intending to purchase from that supplier.
- Revealing a supplier's prices to another supplier and inviting that supplier to beat them. "Bid shopping" is highly unethical, gaining a one-time advantage at the expense of doing lasting harm to the reputation of the person and organization doing it. The Purchasing Department does not disclose price information to unsuccessful bidders. Bidders should feel assured that all aspects of a bid have been held in confidence.



## The Purchasing Department's Policies

### Signature Authority for Contracts/ Agreements:

End-users within departments typically **do not** have the authority to sign **any** contracts or agreements with outside parties in the name of the University. In some cases, the Senior Vice President of Finance and Administration, Treasurer or the University's President may have delegated limited signature authority to other positions.

Contracts and agreements that need to be signed by the University **must** be reviewed by the Office of General Counsel. A bid document and if necessary a sole source justification should accompany the contract/agreement to be reviewed. Once the contract/agreement is reviewed and approved, Office of General Counsel will forward the document to the Senior Vice President of Finance and Administration, Treasurer.



## The Purchasing Department's Policies

### Conflict of Interest:

All University employees who purchase on behalf of the University are to adhere to the University's Office of General Counsels Conflict of Interest /Conflict of Commitment Policy.

<http://www.scranton.edu/general-counsel/docs/conflictinterest-commitmentpolicy.pdf>

University's students and student organizations have no authority to commit the University to the purchase of any product or service.

### Gifts and Gratuities:

University employees should not solicit or accept a gift from any supplier or prospective supplier.

It is not appropriate for a vendor to make a donation of any sorts to a department that could influence a future purchasing decision. All donations are to be made through the University's Development Office. Any donation made by a vendor does not obligate the University to do business with them presently or in the future.

### Personal Purchases:

Personal items and/or services cannot be purchased through the University, due to our tax-exempt status. Vendors are under no obligation to offer discounts to university employees. If they choose to do so their offer does not obligate the University to do business with them in the future. Employees should refrain from having personal packages shipped to the campus as it places an unnecessary burden on the mail room personnel.

### Tax Exempt Status:

The University of Scranton is exempt from Pennsylvania Sales Tax. This exemption is to be used exclusively to make purchases for use by the University and is not for personal use by individuals, faculty, staff or students. Any purchase by a student organization must be University related and paid for through university funds. The University is **NOT** exempt from food and lodging tax on hotel rooms and restaurant meals. Exception to this applies to catered type meetings and events which fall under Sales and Use Tax. Note that the University is **NOT** exempt from other taxes that are associated with catered type meetings and events.



## The Purchasing Department's Policies

### Purchasing Products and Services:

The purchase of goods and services from outside vendors, which are not placed using the department's purchasing card (greater than \$2,500.00), begin with the initiation of a purchasing requisition. **This Process begins at the time a product or service needs to be ordered, NOT when it is time to pay for the product or service. Purchase orders are not intended to be used strictly as a payment tool.**

The purchase requisition must be approved by an authorized individual prior to sending it to The Purchasing Department for processing. The authority for the approval of the purchase requisitions rests with the budget supervisor. The budget supervisor may delegate authority to department chairperson(s) or other individual. This authority may be limited by organization, accounting code, and dollar limit.

The Budget Supervisors may add or delete an authorized signature(s) from the department's budget at any time by notifying the Accounts Payable Department in writing.

Once the requisition is completed with a description of the items or service needed, supplier information, delivery requirements and location along with the authorized signature and cost center to charge against, is sent to the Purchasing Department along with any documentation (i.e., Vendor Quotes / Proposals and Sole Sources). The requisition is process into a purchase order and issued to the vendor. A purchase order is a legal document that governs the transactions and protects the University. The Purchasing Department has the authority to issue Purchase Orders for the University.



## The Purchasing Department's Policies

### Emergency Purchases:

An emergency purchase is a situation that requires to make a purchase more quickly to prevent a hazard to life, health, safety, welfare, or property or to avoid undue additional cost to the University.

An emergency purchase requires a letter of justification signed by the department head stating:

- a. The reason for the emergency purchase by explaining what the emergency is and/or what caused the emergency.
- b. The financial or operational damage that will occur if needs are not satisfied immediately (**do not state there will be a loss or damage**).
- c. Why the needs were not or could not have been anticipated so that goods and/or services could be obtained through regular purchasing procedures.

Along with the written justification a completed purchase requisition along with any documentation must be sent to the Purchasing Department once the costs are known in order to process into a purchase order.

### Check Vouchers:

A check voucher is a payment mechanism that allows individuals who are listed on the Budget Authorization list for their department to request a non-payroll payment. Purchases that may be requested on a voucher without the involvement of Purchasing when the vendor does not accept a credit card or a purchase order.

### Preferred Vendors:

A contract is established based on the results of a formal bid process managed by The Purchasing Department. Providers of these products /services on campus are among those invited to submit a proposal. The vendor(s)/contractor(s) that are awarded contracts are determined to represent the best overall value to the University.



## The Purchasing Department's Policies

### Freight Terms:

- a) **FOB Destination, Freight, Prepaid & Add.** Requires that the seller to ensure the safe transportation and delivery of the shipment(s) until they arrive at the University of Scranton's destination specified by the purchase order. The seller owns the product(s) while being transported and is responsible for all risk. The cost of the freight (if any) is the responsibility of the buyer and is added to the invoice.
- b) **FOB Origin, Freight, Prepaid & Add.** Requires the buyer to ensure the safe transportation and delivery of the shipment(s) to the University of Scranton's destination specified by the purchase order. The buyer is responsible for all risk and the cost of the freight (if any) is added to the invoice.





## The Purchasing Department's Policies

Changes made to:

a) Requisitions

Departments can make their own changes to requisitions after submitting them for approval and before it processed into a purchase order, the individual who has the authority to approve a requisition must be made aware of any changes.

b) Purchase Orders

Changes that need to be made to purchase orders that have already been sent to the vendor can only be made by the Purchasing Department. The department needs to request a purchase order change using the purchase requisition form.

Changes that affect what is being ordered (i.e., quantity, description, price, ship to, etc.) will be sent to the vendor using a change order.

### Prepaid and Partial Payment Purchase Orders:

The use of pre-paid 'check-enclose' purchase orders is discouraged and should be utilized very rarely. Such payments in advance of receipt of goods places the department and University at risk of loss if these goods are not received as ordered, or in unsatisfactory conditions.

There are occasions a vendor refuses to accept the University's purchase order without full or partial payment in advance. In order for a pre-payment to be made, the requisition must be accompanied by documentation explaining the reason for pre-payment. The dollar amounts must be correct and include any handling or shipping charges. The documentation verifying the prices, such as a quotation from the vendor, price list, vendor order form or pro-forma invoice must be provided. This documentation must state that the vendor requires a pre-payment.



## The Purchasing Department's Policies

### Procurement Card:

The purchase of most goods and services by departments should be handled by initiating a requisition, which will result in the issuance of an official purchase order that is sent to the vendor and includes terms and conditions that protect the University. This also ensures that the purchase is appropriately approved, and budget checked. However, there are instances where the issuance of an official purchase order is not practical, or the transaction does not warrant the issuance of an official purchase order. In these situations, the purchasing card (p-card) is an important component to the purchasing strategy.

Departments are encouraged to use the purchasing card for small dollar, low risk transactions (i.e. less than \$2,500.00) instead of having a purchase order issued, unless the vendor does not accept a credit card or there is a service fee for using a credit card.

### **Direct Billing, House Accounts:**

**Departments are not authorized to established direct billing accounts, house accounts with the vendors in the name of The University of Scranton. Departments are not authorized to accept offers for credit cards, charge accounts, or house accounts from vendors who increasingly send such advertisements to the departments. If departments have such accounts with a vendor, the department must take steps to close the accounts immediately.**

**Departments shall conduct their business with vendors using the purchasing methods identified in this document. The University will not fill out a vendor's specific credit application, the University will send standard credit information to a vendor so that an account can be established.**



## The Purchasing Department's Policies

### Sole Source:

A sole source means that a single vendor is uniquely qualified to meet the department's needs. A sole source form needs to be filled out for all orders that are \$5,000 or more. To be considered one of the following must be met:

- a. The actual product or service needed is the only one that will meet the department/school's need/requirement and it can only be purchased from one source (manufacturer or distributor).
- b. The product or service must match or be compatible with current equipment or services.
- c. The product needed is specifically required for use in conjunction with a grant or contract.
- d. Professional or artistic services.
- e. An unusual or compelling urgency exists.

### Blanket Orders:

A blanket order is an arrangement with a vendor that **does not obligate departmental funds** but allows the flexibility for the acquisition of assorted commodities or services from a known vendor for departments that have predictable but varied program needs. The range of commodities or services covered by the blanket purchase order should be defined as narrowly as possible with a specified period of time during a fiscal year (**not greater than 12 months**). The blanket order defines the general product or service, total dollar limit for a specified time period, and the transaction dollar limits for each order. Blanket purchase orders may not be used for the acquisition of equipment or appliances.

Blanket orders are sent to the vendor by the Purchasing Department, so that a Blanket Purchase Order (BPO) is generated and the BPO number is known and must be included on all invoices. Blanket orders must be renewed annually on June 1<sup>st</sup> of the new fiscal year or on the renewal date of a grant or contract by the department by sending a signed requisition to the Purchasing Department with up-dated information.

### Standing Orders:

Standing purchase orders are appropriate for the acquisition of commodities or services that are needed on an ongoing basis when the specific item(s), quantity and frequency of need are known in advance. Standing orders **may not** be used for equipment purchases. Standing orders have a maximum duration of one year. Standing purchase orders, regardless of the date of initiation, **will expire at the end of the fiscal year in which they were initiated**. Departmental funds will be encumbered.



## The Purchasing Department's Policies

### Multiple Year Agreements under a Contract:

#### a) Use a Purchase Order.

When one payment is made each year of the contract, the terms of the contract should be outlined in the body of the purchase order, but the purchase will be issued and encumbered for the current year expenditure amount only. At the start of each successive year, a new purchase order will be issued for that year's expenditure amount and will reference the previous purchase order number in the body.

#### b) Use a Standing Order

When multiple payments are made each year of the contract, the terms of the contract should be outlined in the body of the standing order, but the purchase will be issued and encumbered for the current year expenditure amount only. At the start of each successive year, a new standing order will be issued for that year's expenditure amount and will reference the previous purchase order number in the body.

### Construction / Renovation Projects:

With the project under fund 912xxx when multiple payments are made and will encompass multiple fiscal years, a standing order would be issued to the General Contractor. The terms of the contract will be outlined in the body of the order and the fund for the project will be encumbered. And additional funds for unforeseen issues during the construction will require a change order issued by Facilities Operations.



## The Purchasing Department's Policies

### Purchasing Items with the University Name or Logo:

The University has exclusive rights to its name, logo, trademark, and mascot and prohibits their unauthorized use. Vendors who manufacture and/or sell items with The University of Scranton indicia are required to be licensed by the University. Licensees operate under specific guidelines by the Office of Division of Enrollment Management & External Affairs and the Office of the General Counsel. <https://www.scranton.edu/printing-services/identity-standards.pdf> . Creation, adoption and use of any University of Scranton's indicia must conform to approved standards.

The Director of Printing and Mailing Services can verify that the department's choice of vendor is licensed by the University. If the vendor is not licensed, the Office of Public Relations can assist the vendor in becoming licensed or provide the department with a list of licensed vendors.

### Environmental:

In order to further the University's commitment to sustainability, individual departments are encouraged to purchase recycled and environmentally preferable products, when quality, performance and price are comparable to alternatives.



## The Purchasing Department's Policies

### Internet Orders:

Ordering via the internet presents risk and responsibility to those who transact University business. In order to reduce any risk:

- a. Deal only with established, reputable vendors. Do **not** buy from unincorporated individuals or groups offering products or services.
- b. Use your Purchasing Card (p-Card)
- c. Ensure that the vendor provides a secure website for transmission of information.

The Purchasing Department discourages the use of web auctions for the purchase of goods and services. Occasionally, hard to find or specialized items may become available for purchase only through an auction web site. To reduce the risk of this type of transactions:

- a. Make certain that the auction website offers protection against purchasing defects or erroneously described products. The website allows for refunds, if necessary, after a physical inspection of the products received.
- b. Document and understand fully all warranty and other protections offered by the seller.
- c. Use the Purchasing Card (p-card) for payment.
- d. Ensure that the auction website provides a secure website for transmission of information.



## The Purchasing Department's Policies

### Receiving:

A signed purchase receiver is an indicator to the Purchasing Department that the product has been received and accepted or the service has been provided.

A three-way match is required for all purchase orders (Purchase Order, purchase receiver/packing slip and invoice).

The receiving process consists of the following.

- a. Taking possession of the products.
- b. Examining the products to determine conformance to the purchasing specifications.
- c. Testing some or all products to determine if the products perform to specifications. This normally pertains to purchases of capital equipment.
- d. Acknowledging that the products and /or service conform to the requirements of the purchase order so that the supplier will be paid. A signed purchase receiver or packing slip noting what items have been received and accepted by the department must be sent to the Purchasing Department in a timely manner so that the information be entered into the system.
- e. An open purchase order report is issued monthly in Banner in order for your department to keep current on order that still need to be ship by the vendor are received by the department.

### Delivery Address:

The shipping address for the departments is Name/Department ,The University of Scranton, 314 Kressler Court Scranton, PA 18503-1623 the following carriers: DHL, FEDEX, UPS. For packages being delivered by the United States Postal Service (USPS) use *800 Linden Street* as your street address.

### Product substitutions and over-shipments:

Vendors are not allowed to substitute products or delivery more than the amount ordered without prior approval from either the department or the Purchasing Department the Purchasing Department should be notified by the department whenever this occurs.



## The Purchasing Department's Policies

### Incorrect or Damaged Shipments:

If a shipment is received with incorrect or damaged goods, the packing material, packing slip, and/or shipping ticket should be saved. The department must notify the vendor **immediately** so that appropriate action may be taken such as issuing credit or providing a replacement.

If the order needs to be shipped back to the vendor, it must be placed in the original cartons, obtain a Return Authorization Number from the vendor. The shipping label on the return package must be marked with the Return Authorization Number. Other identifying information should be placed on the outside of the package for easy identification when received by the supplier. No item should be returned without prior authorization from the vendor.

The departments are responsible for storing incorrect or damaged goods in a secured area until the products are either shipped back to the vendor or the vendor takes possession of the products and removes them from the university property.

### Return for Credit/Refund:

When a vendor shipped product as specified on a purchase order, they have legally complied with their part of the contract and are under no obligation to accept returned items for credit or refund. Acceptance of a return by a supplier is not automatic; and if accepted, a restocking fee of a percentage of the original item cost is sometimes charged by the vendor. Restocking fees are paid by the requisitioning department.

### Payment Terms:

The University's standard payment terms for purchase orders are Net 30 Days from the date of the supplier's invoice. It is the University's policy to accept discounts for accelerated payment terms when offered by vendors. Departments do not have authority to change and/or otherwise accept different payment terms from suppliers.



## The Purchasing Department's Policies

### Invoice Approval:

Vendors are directed to send their invoices either by approved electronic formats or by United States Postal Mail referencing the purchase order number to:

University of Scranton  
Accounts Payable  
800 Linden Street  
Scranton, PA 18510

or

Email: [accountspayable@scranton.edu](mailto:accountspayable@scranton.edu)

If the closed purchase order (products/services have been received and accepted) and the corresponding invoice systematically match within predefined tolerances, the invoice will be scheduled for payment in accordance with the payment terms.

If there is a discrepancy between the invoice and the closed purchase order. Accounts Payable, will send the invoice in question to the requesting department to correct the discrepancy. The payment will be held up until the discrepancy is resolved.

The credit standing of the University is dependent upon its ability to pay its obligations on time, communication between the departments, Accounts Payable, and the Purchasing Department must be done in a timely manner.

### Purchase Order Tolerance:

If the invoice amount is over the purchase order amount by \$50.00 or 10% whichever is less, no matter if it has one line or more, Accounts Payable will automatically process the invoice. Any freight charges that are on the invoice but not on the purchase order can be paid if under \$100.00. Any amount greater than 10% or \$50.00 and /or there is a freight charge \$101.00 or greater, Accounts Payable will e-mail the department and request approval for the additional amount with a description. A copy of the e-mail must be sent to the Purchasing Department to enter the approved additional amount into the SCT Banner System.



## The Purchasing Department's Policies

### Invoices for Construction Projects:

Construction project invoices from consultants, contractors and sub-contractors are to be sent directly to Facilities Operations for their review and approval that the work being billed has been completed and accepted prior to payment. All invoices approved by Facilities Operations will be set to Accounts Payable for payment.

### Method of Payments with a Purchase Order:

- a) **Direct Deposit (ACH)** - The University makes a payment directly to the vendor's bank account. To process this type of payment, the vendor's banking information is required.
- b) **Check**- A check is cut and mailed to the vendor.

The vendor selects which method of payment they prefer. Once the payment method is chosen, all transactions with that vendor will be paid by the method they selected.

### International Shipping / Custom Brokers:

A Customs Broker should be used if the items are regulated (i.e., chemicals, drugs, biological products, etc.).

Documents will differ from country to country, the following are fairly standard:

- a. Application for entry- The importer files with the customs authority their identity and the type of quantity of goods being imported.
- b. Invoice- a form of commercial invoice, or a pro forma invoice that is fairly detailed describing the product including unit and total cost.
- c. Bill of lading or air waybill- International carrier issues this document to the shipper, in order to set forth the conditions of transport and serves as a receipt and evidence of ownership for the goods.
- d. Packing list- list naming the goods and quantities included.
- e. Declarations or certificates- Proof of compliance with import requirements
- f. Bond or other guarantee- A customer's authorities may agree to release goods for entry into the country before the importer has paid all assessed amounts. The importer posts a bond or other guarantee sufficient to cover the amount owed.



## The Purchasing Department's Policies

### Lease/Lease Purchase/Rental Orders (Equipment):

Equipment should always be acquired by a purchase. There are circumstances that require the leasing of equipment for a specific need. A lease could be advantageous if the total cost of the lease for the period of the equipment's life or the technological life is less than the total purchase price. The benefit of leasing versus buying must be determined before entering into any lease agreement. The total cost of the lease must be compared to the total cost of the purchase, considering such factors as equipment costs, shipping, installation, and on-site training and maintenance costs.

A lease is an agreement conveying the right to use property for a specified time and for a specific amount of money. A true lease, the property being used remains the sole property of the lessor (supplier), and the lessee (university) builds no equity in the leased property. A lease/purchase agreement allows the lessee to build equity and purchase the property from the lessor for a nominal amount at the completion of the lease. The term of a lease is fixed in duration and not cancelable. A rental agreement is similar to a lease in that the user does not build ownership in the asset. A rental agreement differs from a lease in the length of the agreement (usually less than one year) and the agreement can usually be cancelled by the renter prior to the end of the agreement without penalty.

All leases, lease to purchase and rental agreements must be reviewed by the Finance Department and General Counsel before a purchase order can be generated.

### Competitive Bids:

All transactions \$5,000 and greater must be competitively bid. This allows the university to properly survey the marketplace and secure goods and services at fair and reasonable prices. Goods and/or services bought from Internal Providers (i.e., Food Service, Book Store, and Library), determined by the Vice President of Finance and/or the President are exempted from this requirement.

Splitting a transaction into smaller dollar amounts, delaying, staggering purchases of the same or related items to avoid the competitive bid process is a violation of this policy.

A requesting department must submit detailed specifications, performance, standards and/or scope of work of the goods or services needed. These items should be generic in nature to allow for sufficient competition in meeting them; should neither reference nor be written specific to a particular brand, model or company. Any assistance from a vendor in developing a scope of work will be shared with all potential bidders.

The Purchasing Department will develop and issue either a Request for Quotation (RFQ), Request for Proposal (RFP), or Invitation for Bid (IFB) to solicit bids from suppliers. Each supplier receives the same direction, information, and terms and conditions.



## The Purchasing Department's Policies

### Bid Requirements:

Under \$500	Quotes are not required.
\$501 - \$2,500.00	One written quote is required.
\$2,501 - \$4,999	Three written quotes are required.
\$5,000- over	Must go through the Purchasing Department to be competitively bid.

### Capital Equipment :

Capital Equipment is defined as movable equipment having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Movable equipment consists of assets not intended for resale, it includes industrial and office equipment and tools, laboratory equipment, furniture, fixtures, and vehicles.

Requisition listing the capital equipment must be sent to the Purchasing Department with the appropriate budget and authorized signature(s). If appropriate a request for quotation will be sent out to other perspective suppliers. The negotiation of the price and terms & conditions is done by the Purchasing Department.

It is highly recommended that the requesting department involved the Purchasing Department once the equipment has been approved by the Capital Equipment Committee. By doing this an invitation for bid or request for quotation can be send to at least 3 perspective vendors. The department would be required to write the specification of the equipment. Due to the cost and complexity of the equipment, it is recommended that the department follow the guidelines when developing the specifications:

- a. Concise description of the equipment and its function.
- b. Equipment parameters, as appropriate, such as, a description, the accuracy and function within a desired tolerance, power requirements, desired ranges, and brief description on how the equipment is expected to operate.
- c. Equipment components and attachments.
- d. Any special tooling or utility preparation, and at whose cost.
- e. Energy efficiency guidelines
- f. Computer system and operating software requirements, licenses.
- g. Should not be written specific to a particular brand, model, or company.



## The Purchasing Department's Policies

### To Clarify.

A faculty member is constructing a piece of equipment that will ultimately have a cost of greater than \$5,000. While the individual pieces are less than that amount, should this be considered capital equipment? Yes. If an individual item is a component of a large item, which is not functional until completed, the item is considered capital equipment if total exceeds \$5,000.

The department is purchasing furniture which consist of 6 desk chairs at \$500.00 each and a conference table at \$3,000. The total cost is \$6,000. Is this capital equipment? No, since the individual units are less than \$5,000 and can be used independently (not a component of a larger item), this would be considered furniture/supplies.

### Equipment Acceptance:

While the requesting department and the Purchasing Department are working on developing the bid. It is in the best interest for both the end-user and the University to write in detail the conditions that must be met in order for the equipment to be accepted. The physical measurement criteria and/or performance should be clearly defined whenever possible. The equipment must be tested after delivery and set-up and prior to invoice payment.

Once the equipment is accepted, the department must send a signed receiving report to the Purchasing Department. In turn the Purchasing Department will issue an asset tag that the department is responsible to adhere to the equipment in an area that the asset tag can be easily viewed.

### Total Cost of Capital Equipment:

The cost of the capital equipment is the price for the equipment, including cost of modifications, attachments, accessories or auxiliary apparatus necessary to make the equipment usable for the purpose for which it was acquired or fabricated.

Any ancillary charges such as duty, transportation, insurance, installation charges are to be included in the capital equipment cost.

### Capital Equipment Enhancements:

Capital Equipment is considered to be enhanced if a replacement part or any modification to the equipment materially increase its value and /or extends its useful life. Items meeting this definition of cost and useful life, it should be recorded as part of the original item and its equipment tag number must be recorded on the purchase requisition when acquiring the enhancement items.

An enhancement item is not a replacement item that is necessary to repair a piece of equipment. Repair items should be recorded as a repair expense.



## The Purchasing Department's Policies

### No Charge Equipment:

There are times when a vendor will provide a piece of equipment at no charge in exchange for the purchase of the supplies to be used with the equipment. The equipment remains the property of the supplier, but the University may become responsible for the condition and maintenance of the equipment during the course of the agreement. A requisition and a copy of the equipment agreement detailing the terms and conditions of the program is to be submitted to the Purchasing Department.

The department is to include the value of the equipment on the requisition to determine the level of authorized signatures that are needed and the level of insurance that needs to be provided. The Purchasing Department will issue a 'no charge' purchase order to the supplier to record the University's possession of the equipment for insurance purposes.

### Equipment Evaluation:

Equipment may be provided to the University at no charge for a limited period of time to allow for evaluation of the equipment's performance prior to making a purchasing decision. The department must submit a requisition with the value of the equipment so that a 'no charge' purchase order can be sent to the vendor to record our possession of the equipment and for insurance purposes. The requisition must include the length of time of the evaluation, when the equipment will be picked-up by the vendor and if needed, the supplies for the equipment are at no cost.

### Surplus Property:

Both capital and non-capital equipment purchased with university funds or funds from an external source (agency), the management and control of such equipment extends to its final disposition. The disposal of the equipment properly must be in accordance with the University and the external sources' standards and regulations which are designed for the efficient utilization of property, maximizing the property's residual value, maintaining financial accountability and reporting accuracy ensure compliance with safety/environmental laws and regulations, and minimizing risk exposure to the University of Scranton.

Disposal of surplus property is defined as any property:

- a. To be traded-in against a new purchase.
- b. Cannibalized for spare parts.
- c. Transferred to another department.
- d. Donated to a non-profit charitable/community organization.



## The Purchasing Department's Policies

- e. Sold for salvage value.
- f. Destroyed (trash removal/recycled).

Departments have no authority of gifting or selling surplus equipment directly to university faculty, staff, students, and other individuals and organizations. This is to minimize the University's risk exposure to product liability, and sales tax exemption regulation. When a sale of surplus property is deemed appropriate, the transaction will be administered by The Purchasing Department.

If disposal of capital equipment, the asset tag must be returned to the Purchasing Department along with an explanation of what happen to the capital equipment. When capital equipment is transferred between departments an e-mail must be sent to purchasing listing the asset tag and what department the capital equipment is being transferred.

If the equipment was funded by an external source, the Sponsored Researcher and the Grant Administrator need to have permission to dispose of the property or instructions regarding its return to the external source.

If the equipment is deemed to have no value for re-use or resale, The Purchasing Department will authorize immediate disposal at the department's expense (if any).

If the equipment is deemed to have a dollar value, based on the capital equipment inventory, and no value to re-use on campus, the equipment will be sold "as is, where-is" with removal being the responsibility of the final buyer. Any proceeds will be credited to the Surplus Account unless the University's Controller states otherwise.

The Department needs to include (if available) with the equipment being sold the following.

- a. User Manuals.
- b. Service Records.
- c. Accessories.
- d. Supplies (if these cannot be used elsewhere).

### Surplus Computers/Printers, Fax Machines:

Computers are a category of surplus equipment that requires special procedures because of the potential of the memory to contain sensitive or confidential data. Computers, Printers and Fax machines must be disposed of through Information Technology Department

<https://www.scranton.edu/information-technology/vendor-request-procedure.shtml>



## The Purchasing Department's Policies

### Vehicle Purchases / Leases:

The purchase and /or lease of a vehicle is handled through The Purchasing Department. Departments are not authorized to request quotes from dealers or commit to a vehicle purchase. The departments will be responsible for all license renewals on vehicles that are used by the individual department.

University faculty and staff are personally responsible for settling all traffic and parking violations acquired while operating a university owned or leased vehicle. The University of Scranton does not have any responsibility for traffic or parking tickets. The cost of tickets and fines are not reimbursable expenses.

### Computer / Software Purchases:

All computers, printers and software must be approved and ordered through Information Technology.

<https://www.scranton.edu/information-technology/vendor-request-procedure.shtml>

### Furniture:

All furniture will be processed through the Purchasing Department. -

When Purchasing Furniture for the following locations: common areas, student rooms, classrooms, and offices. The responsibility of approving, pricing, ordering and authorizing payment will be shared between Facilities Operation and the Purchasing Department.

The University has standardized on the student's room case goods (beds, dressers, desks, bookcases) with Savoy and Son.

Department requesting multiple pieces of furniture for one or multiple area(s) must inform Facilities Operation of their intent for the following reasons:

- a) Building and safety codes.
- b) Storage and removal of existing furniture.
- c) Infrastructure, room size, power/data/network locations.

Facilities Operations will work with the requesting department to assist selecting furniture/finishes/fabrics. The Purchasing Department will create and send a bid document based on the furniture specifications. A decision will be made in the best interest of the University.

Requesting Department will issue a purchase requisition with an authorized signature and budget number to the Purchasing Department. The requesting department will work with Facilities Operation to remove all existing furniture and prepare the area to accept the new furniture.



## The Purchasing Department's Policies

The requesting department will be responsible for receiving and inspecting furniture during delivery and installation. Once the furniture is accepted, the department will sign the purchasing receiver document and return it to the Purchasing Department.

### Renovations/ Construction:

All work related to renovations and construction must be coordinated and approved through the Facilities Department.

### Purchases with Federal Funds and or Grants:

The Federal Government imposes a set of standards for the acquisition of supplies, equipment and real property purchased with federal funds. Procurement procedures must comply with the standards imposed by OMB (Office of Management and Budget). **Attached Procurement of Goods and Services Effective December 2021 from the Office of Research and Sponsored Programs (ORSP)**

#### a) Guidelines:

Recipients of Federal grant(s) should avoid purchasing unnecessary items. The vendor or contractor that meets the required quality standards at the lowest cost should be selected. If the cost to purchase a larger quantity is cheaper than the quantity you need, federal guidelines require that only the quantity needed should be purchased.

An end-user should obtain a clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features, which unduly restrict competition.

RFP(s) issued to vendors should contain requirements which the bidder must fulfill and all other factors to be used in evaluation bids or proposals.

Whenever practicable, RFPs should contain descriptions of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.

RFPs should include the specific features of "brand name or equal" descriptions that bidders are required to meet when such items are included in the solicitation.

To the extent practicable and economically feasible, a Buyer or end-user should emphasize preference of products and services dimensioned in the metric system of measurement.

To the extent practicable and economically feasible, a Buyer or end-user should emphasize preference for products and services that conserve natural resources, protect the environment, and are energy efficient.



## The Purchasing Department's Policies

### b) Ownership:

Grants are awarded to the University of Scranton, not to the end-user. All items and equipment purchased with grant/funds belong to the University of Scranton. Equipment acquired with external support becomes the property of the University unless restricted by the sponsor.

- I. **Responsibility:** End-Users are required to ensure the proper receipt of the equipment, track equipment, participate in inventories and notify the Assistant Controller with regard to condition, location, loss or damage to the equipment. The end-user established maintenance procedures and records and are responsible for the operational condition of the equipment.
- II. **Recording Keeping:** The University's Assistant Controller maintains records including description, serial number, source of funding, who hold the title, acquisition date and cost, location, use and condition status, and disposition data.
- III. **Inventory:** The Purchasing Department tags assets at the time of acquisition; the end-user performs a physical inventory of equipment purchased with grant funds every two years to verify the existence and condition of the equipment and accuracy of the University's records.

**Disposal:** If an item purchased with grant funds is determined to be obsolete, and the item's value exceeds \$5,000, disposition rules must be followed. This may include requesting disposition instructions from the awarding agency

### Year End Closing:

Timing of expenditures nearing the end of each fiscal year is critically important for the University. Appropriate business and accounting practices require that the receipt of a good or the performance of a service must take place on or before the last day of a fiscal period (May 31<sup>st</sup>) in order to be charged to the budget of that fiscal year.

This may require advance planning for certain purchases that require a great deal of time in transit, production or for various other reasons. There is no routine carryover of operating budget funds. Budgets on restricted fund grants and contracts with project life continue for their prescribed project dates, fiscal year.



## The Purchasing Department's Policies

### Purchase Orders:

To ensure use of the current funds for purchases, the properly completed and approved purchase requisition must be received in the Purchasing Department. If these deadline dates are not met, a requisition will still be processed but there is no guarantee that your transaction will be charged to the current fiscal year.

February 15th	Capital Equipment / Fix Asset- \$5,000 or greater. Note that equipment may require six months or more. If delivery cannot be made by the end of the current fiscal year. Payment will be made from the next fiscal year.
March 1st	Construction and Contract for professional and artistic services rendered by May 30th, along with the appropriate contract / documentation.
March 15th.	Furniture

### Receiving Report:

Once the goods/service are completed and accepted by the department, a signed and dated receiving report must be sent to the Purchasing Department before the last day of the current fiscal year. Any receiving reports that are received in the new fiscal year will be received in the system in the new fiscal year. Back dating a receiving report will not be approved.

### Purchase Order Invoices:

All invoices which reference orders placed in the current fiscal year must be dated on or before May 31<sup>st</sup>. The invoice must reference the purchase order number.



## The Purchasing Department's Policies

### Maintain Records:

The University of Scranton requires that different types of records be retained for specific periods of time and has designated official repositories for their maintenance. These records must be managed according to procedures that are outlined in the following document, [http://www.scranton.edu/general-counsel/docs/records\\_policy.pdf](http://www.scranton.edu/general-counsel/docs/records_policy.pdf) The University's retention schedule is as follows: <http://www.scranton.edu/general-counsel/docs/records-retention-schedule.pdf>

The documents that the departments at a minimum would maintain that pertain to the purchasing process:

Record Category	Retention Period
Shipping list and Packing Slips	7 years
Equipment and Maintenance Records	1yr. After disposal or trade-in of equipment



## The Purchasing Department's Policies

### Construction Manager (CM) for Major Construction Projects:

The Purchasing Department will issue a Request for Proposal with the assistance of Facilities Operations developing the scope of work for a Construction Manager at risk with Guaranteed Maximum Price (GMP). After negotiations and acceptance of the GMP a contract will be issued .

The University shall establish an evaluation committee, consisting of Facilities, Finance, and Purchasing. The University shall ensure that that the committee members:

- 1) Do NOT have any conflict of interest with any professional under consideration.
- 2) Can fairly evaluate each statement of qualifications.
- 3) Will not contact with any professional under consideration during the evaluation process.
- 4) Conduct the evaluation that ensures a fair and competitive process.

### Evaluation Process

- 1) The committee shall evaluate and score each responsive reply that has not been eliminated from consideration described in the RFP.
- 2) Hold discussions with at least two of the most highly qualified firms whose replies are under consideration.
- 3) Prepare a summary / scoring sheet for the University's President and/or other designated individual(s) recommending in order of rank, at least three firms (if possible) that are considered to be the most highly qualified to perform the required service(s). The summary / scoring sheet will include how the decision was based.
- 4) University's Purchasing Department will notify the successful professional in writing. Also, all documents from the successful professional and documents written by the University for this process will be send to General Counsel to generate a contract for the project.



## The Purchasing Department's Policies

### Architecture and Engineering Services for Major Construction Projects(5 million or greater):

The Purchasing Department will issue a Request for Proposal with the assistance of Facilities Operations developing the scope of work for architect-engineering services and negotiate contracts for these services based on the demonstrated competence a qualification of prospective contractor(s) to perform the service(s) a fair and reasonable price(s).

The University shall establish an evaluation committee. The evaluation committee shall consist of at least three members, which one member is from the Facilities Department. The University shall ensure that that the committee members:

- 1) Do NOT have any conflict of interest with any professional under consideration.
- 2) Can fairly evaluate each statement of qualifications.
- 3) Will not contact with any professional under consideration during the evaluation process.
- 4) Conduct the evaluation that ensures a fair and competitive process.

### Evaluation Process

- 1) The committee shall evaluate and score each responsive reply that has not been eliminated from consideration described in the RFP.
- 2) Hold discussions with at least two of the most highly qualified firms whose replies are under consideration.
- 3) Prepare a report for the University's President and/or other designated individual(s) recommending in order of rank, at least three firms (if possible) that are considered to be the most highly qualified to perform the required service(s). The report will include how the decision was based.
- 4) University's Purchasing Department will notify the successful professional in writing. Also, all documents from the successful professional and documents written by the University for this process will be send to General Counsel to generate a contract for the project.



## The Purchasing Department's Policies

### Single Source:

Single Source for the purchase of Construction Project item(s) costing \$50,000 or greater. Single Source is one in which two or more vendors/suppliers can supply the commodity, technology and/or perform the services required. The requisitioner selects one vendor/supplier over the others.

The reason for the single source would be documented (email or hardcopy) by the Construction Manager or Architect, or Engineer or The University of Scranton. It would be dependent on who is purchasing the item(s) for the project.

The Single Source explanation must have four components.

- a) Past experience with a particular issue/product and this supplier has the historical knowledge or was the original installer.
- b) Experience with similar projects at other job sites.
- c) Demonstrated expertise.
- d) Capacity and willingness to respond to an emergency situation.



## The Purchasing Department's Policies

### Sole Source for Major Construction Projects:

Sole Source for the purchase of Major Construction Project item(s) costing \$50,000 or greater.

The sole source justification would be documented (email or hardcopy) by the Construction Manager or Architect, or Engineer or The University of Scranton. It would be dependent on who is purchasing the item(s) for the project. The sole source letter would be stating the following.

- I. The explanation must have three components:
  - a) Why is the item/service unique?
  - b) How do you know that there is only one source for this item/service?
  - c) The basis upon which the price/cost was determined to be fair and reasonable.
  
- II. Why is the item/service unique?
  - a) A description of the feature(s) that make the item/service unique and why you need this uniqueness.
  - b) Compatibility with, or component of, an existing item; provide enough detail to demonstrate that compatibility is necessary.
  - c) Original manufacturer/supplier, i.e., software, license.
  - d) Supplier holds a service contract and must supply parts to accomplish a contract.
  - e) Emergency order and no other supplier available at the time.
  - f) Proprietary purchase, no other supplier available.
  
- III. How do you know that there is only one source for this item/service?
  - a) Requested quotations and no one else responded.
  - b) Google search.
  - c) Proprietary purchase, no other supplier available.



## The Purchasing Department's Policies

Receiving proposals, revisions and modifications late.

Any proposal, modification, or revision, which is received at the purchasing office via email or hard copy after the exact time specified for receipt of proposals is **"late" and will not be considered unless it is received before award is made, the contracting officer determines that accepting the late proposal would not unduly delay the acquisition; and**

- a) If it was transmitted through an email or hard copy method authorized by the solicitation, it was received at the University's Mail Room for hard copies not later than 4:30 p.m. one working day prior to the date specified for receipt of proposals; or
- b) There is acceptable evidence to establish that it was received at the University's purchasing office for receipt of proposals or was received by University's mailroom prior to the time set for receipt of proposals; or
- c) It was the only proposal received.

If an emergency or unanticipated event interrupts normal University processes so that proposals cannot be received at the University office designated for receipt of proposals by the exact time specified in the solicitation, and urgent University requirements preclude amendment of the solicitation closing date, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal University processes resume.

Proposals may be withdrawn by written notice at any time before award. One copy of withdrawn proposals should be retained in the contract file. Extra copies of the withdrawn proposals may be destroyed or returned to the offeror at the offeror's request. Where practicable, electronically transmitted proposals that are withdrawn must be purged from primary and backup data storage systems after a copy is made for the file. Extremely bulky proposals must only be returned at the offeror's request and expense.

The contracting officer must promptly notify any offeror if its proposal, modification, or revision was received late, and must inform the offeror whether its proposal will be considered, unless contract award is imminent.

Late proposals and modifications that are not considered must be held unopened, unless opened for identification, until after award and then retained with other unsuccessful proposals.

**If available, the following must be included in the contracting office files for each late proposal, modification, revision, or withdrawal:**

- a) The date and hour of receipt.
- b) A statement regarding whether the proposal was considered for award, with supporting rationale.
- c) The envelope, wrapper, or other evidence of date of receipt.



## The Purchasing Department's Policies

### Attachments

- a) Sales Tax examples of exempt and non-exempt purchases (2 pages).
- b) Purchase Requisition
- c) Procurement of goods and services with Federal Grant Funds by the Office of Research and Sponsored Programs (ORSP). Effective December 2017 (5 pages).
- d) Construction Management Score Sheet
- e) Architectural/ Engineering Score Sheet



The Purchasing Department's Policies

<b>Sales Tax Specific to Pennsylvania</b>				
<b>Examples: Exempt Purchases</b>				
<b>A. Material or supplies used in routine maintenance or repair of real estate</b>				
Paint				Floor wax
Paint Brushes				Carpet shampoos
Light Bulbs				Replacement window panes
Cement for repointing				Roofing tar
Expendable mops or brushes				Patch asphalt
<b>B. Building machinery and equipment</b>				
Air conditioning equipment				
Electrical equipment				
Plumbing equipment				
Communications equipment (voice, video, data, sound, master clock and noise abatement)				
Fire equipment				
Security and detection alarms				
Control systems (including energy management, traffic, parking lot and building access)				
Medical systems (including diagnosis, treatment equipment, medical gas, nurse call and doctor paging systems)				
Laboratory systems				
Cathodic protection systems				
Furniture				
Cabinetry				
Kitchen equipment				
Boilers				
Chillers				
Air cleaners				
Humidifiers fans				
Switchgear				
Pumps				
Telephones				
Speakers				
Horns				







## The Purchasing Department's Policies

### **009 Procurement of Goods and Services**

No. 009

Effective: February 2020

Last Revision: February 2020

Last Reviewed: February 2020

Compliant with 2 CFR 200 Subpart D

Resp. Office: ORSP

Approval: ORSP

#### **PURPOSE**

To establish responsibility for the procurement of goods and services with federal grant funds.

#### **REASON FOR THIS POLICY**

The U.S. Federal Government requires purchases of goods and services meet specific standards when using Federal funds including grants, cooperative agreements, contracts, and Federal funds "passed through" to the University of Scranton from a non-Federal entity (i.e., subrecipient agreements). These requirements are codified under the Code of Federal Regulation's (CFR) Title 2, Subtitle A, Chapter II, Part 200 (also referred to a "2 CFR 200" or "Uniform Guidance") and the Federal Acquisition Regulations (FAR), as applicable.

The following standards apply to all purchases of goods and services using Federal funds:

1. Procurement transactions shall be conducted in a lawful and ethical manner.
2. Unnecessary/duplicative purchases are not permitted.
3. The use of a vendor or supplier on the U.S. Federal Government's Debarred and Suspended List (available at SAM.gov) is prohibited.
4. All individuals involved in the expenditure of federal monies must avoid any actual or apparent conflict of interest.
5. Procurement transactions must be conducted in a manner providing full and open competition.
6. Opportunities should be provided to minority businesses, women's business enterprises, and labor surplus area firms when possible.
7. Contracts and purchase orders should include the contract provisions required by 2 CFR 200 Appendix A.
8. Purchases of goods and services must include documentation detailing the history of the procurement.

#### **POLICY:**

Principal Investigators named on Federal awards are responsible for ensuring that the purchase of goods and services are procured consistent with this policy and the procurement standards within it. If the source of funds is uncertain at the time of the purchase but it is expected that



## The Purchasing Department's Policies

federal funds may be used to pay for all or part of a purchase, the policy and incorporated procurement standards should be followed. This also applies to any purchases used to meet a matching or cost sharing requirement on federal awards.

1. Goods and services funded by sponsored projects shall be acquired in accordance with established University policy concerning competitive solicitation. This policy applies to all purchasing of material, supplies, and services by university employees.
  - The purpose is to solicit the best possible pricing through sufficient competition.
  - Competitive solicitation is required for all purchases of \$2,500 with a minimum of two verbal quotations required for purchases greater than \$2,500 and less than \$5,000, and a minimum of three written solicitations required those over \$5,000.
  - It is the responsibility of the Purchasing Department to originate requests for bids, proposals, and quotes meeting the dollar thresholds listed above in consultation with the University personnel requesting the goods or services. This allows the Purchasing Department to estimate pricing that it feels would be reasonable before bids are solicited from external vendors to ensure the University receives fair pricing.
  - The University personnel should define the requirements regarding quantity, delivery dates, technical specifications, or scope of work to assist in obtaining valid quotes.
2. Sole Source Justification is allowed in the following instances:
  - The item is available only from a single source for proprietary, technical, or continuation of work.
  - The public emergency for the requirement will not permit a delay resulting from competitive solicitation.
  - After a number of competitive solicitations, competition is deemed inadequate.
  - The Federal awarding agency or pass through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity.
3. The University monitors contractor work to ensure it is performed in accordance with the terms and specifications of the contract or purchase order. Payment is withheld for non-performance, and vendors or contractors will not be used again. The University monitors the Suspension and debarment list of contractors to ensure contracts are not awarded to them.
4. The University attempts to ensure the efficient and economical procurement of micro-purchases through the use of negotiated contracts to ensure reasonable pricing.
5. The University maintains records to support its rationale for the procurement method, selection of contract type, contractor review, and the basis for the contract price.



## The Purchasing Department's Policies

6. The University will ensure that no employee, officer, or agent may participate in the selection, award or administration of a contract supported by a Federal Award if one has a real or apparent conflict of interest. Even managed conflict is not allowed for purchases under a federal award.
7. The Office of Research and Sponsored Programs (ORSP), in consultation with the Assistant Controller and General Counsel as appropriate, is responsible for the negotiation, preparation and administration of subawards where a material portion of the scope of work or supported activity is to be accomplished by another institution or organization. The Principal Investigator (PI) will administer the subawards.

## Roles and Responsibilities

### Principal Investigator (PI)

- Adhere to university conflict of interest policies regardless of purchase cost. Disclose any conflicts of interest prior to the purchase of any goods or services. See Applicable Conflict of Interest Policies under Citations at the end of this document.
- Ensure that all purchases are necessary for the conduct of the project and do not duplicate goods already available.
- Obtain quotes and provide written documentation supporting the selection of vendors as required under this policy. Provide supporting documentation as necessary at both pre and post award to justify the cost, support its reasonableness, and advance the purchase through the procurement process.
- Ensure supplier performance (i.e., scope of work) is in accordance with the federal award and the issued contract or purchase order and contact the Grants and Contracts Associate and Procurement Services and Contract Management immediately if any disputes exist with a vendor. *Payments should never be approved for a vendor or supplier not in compliance with the contract's terms, including meeting scope of work expectations.*
- Approve payments in a timely manner and any progress reports required of the vendor.
- Notify department as early as possible to initiate necessary purchasing paperwork or P-Card transactions. Supply needed documentation to support the purchase in accordance with this policy.
- Respond to information requested by ORSP and Assistant Controller to determine allow ability and reasonableness of the purchase or service.



## The Purchasing Department's Policies

- Respond to information requested by Purchasing Department to complete purchases process as necessary according to threshold and need.

### Department

- Assist PI in completing necessary purchasing paperwork or P-Card transactions.
- Review purchasing paperwork to make sure supporting documentation as required through this policy is included before submitting to ORSP or Procurement • Evaluate the purchase for allow ability as part of the normal proposal approval process.
- Screen named vendors for debarment or other prohibitions and notify PI right away if the university cannot do business with a desired vendor.

### ORSP Administration

#### Pre-Award

- Evaluate the purchases for allow ability as part of the grant budget development process.

#### Post-Award

#### Assistant Controller

- Approve payment to vendor based on receipt of PI approval that terms and deliverables have been met.
- Approve appropriate purchasing paperwork (P-Card transactions and Purchase Requisitions) and ensure paperwork includes sufficient documentation from the PI to support the purchase and vendor selection rationale.
- Maintain documentation supporting the procurement history and purchase for all dollar amounts.
- Screen named vendors for debarment or other prohibitions and notify PI right away if the university cannot do business with a desired vendor.

### Procurement and Contractual Services

- Evaluate and guide the PI towards the appropriate procurement mechanism (e.g., RFP, etc.) for large purchases.
- Maintain documentation supporting the procurement history and purchase for small and large purchases.
- Incorporate necessary contract provisions for federally funded procurements.
- Screen vendors for debarment or other prohibitions and notify PI and SPA right away if the university cannot do business with a desired vendor.

## Definitions

Contractor: 2 CFR §200.23: A contractor is an entity that receives a contract as defined in §200.22 Contract (see Contract below).

Contract: 2 CFR §200.22: Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a federal award.



## The Purchasing Department's Policies

The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract when the substance of the transaction meets the definition of a federal award or sub award. For purposes of this policy, the term contract is used to describe vendor or professional services required for the conduct of a sponsored award.

**Sub recipient: 2 CFR §200.93:** A Non-Federal entity that receives a sub award from a pass-through entity to carry out part of a federal program; but does not include an individual that is a beneficiary of such program. A sub recipient may also be a recipient of Federal awards directly from the Federal awarding agency. This policy does not apply to sub recipients, see SPA Sub recipient Monitoring Policy.

**Micro-Purchase:** A purchase of supplies or services using simple acquisition procedures, the aggregate amount which does not exceed the micro-purchase threshold. The micro-purchase threshold is set by the Federal Acquisition Regulations at 48 CFR Subpart 2.1 and is subject to change.

**Invitation to Bid:** A document which invites a supplier, usually in competition with other suppliers, to submit prices and other information for a particular good or service which a university wishes to purchase.

**Request for Proposal (RFP):** A document which describes a university's need for goods or services and invites suppliers to submit information, including price, describing how the supplier can provide what is needed.

**Request for Quote (RFQ):** A document that invites suppliers to submit prices for a particular good or service which the university wishes to purchase.

**Open Order:** A standing/open order is a purchase order that has been issued to a vendor, against which specified purchases may be made for a specified period of time. When repeated purchases of the same type of supply items are expected, multiple purchase requisitions may be eliminated by submitting one purchase requisition to establish a standing/open order.

**Reasonable Costs:** Reasonableness is one of the basic conditions that must be met in deciding whether an expenditure is appropriate to a federal award. A cost is reasonable if it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. <sup>7</sup>

**Sole Source Purchase:** A contract entered into without a competitive process based on a justification that only one known source exists or that one single supplier can fulfill the requirements.

*The source of this document is the Office of Research and Sponsored Programs (ORSP).*



The Purchasing Department's Policies

<b>Name:</b>								
<b>Construction Management Scoresheet</b>								
Project Title:		<b>Construction Management Applicants</b>						
Project Location:		Raw Score Key						
Project #:		0.9 to 1.0	Excellent					
Date:		0.7 to 0.8	Very Good					
		0.4 to 0.6	Acceptable					
		0.2 to 0.3	Marginal					
		0.0 to 0.1	Poor					
				<b>WEIGHT</b>	<b>RAW SCORE</b>	<b>WEIGHTED SCORE</b>	<b>RAW SCORE</b>	<b>WEIGHTED SCORE</b>
<b>I-Experience of Construction Management</b>				<b>35</b>				
Demonstrated successful experience and capability of the proposed staff for this project in providing the services described in the RFP. Including prior experience with the University on large capital projects								
<b>II -Capacity</b>				<b>25</b>				
Demonstrated ability of the Construction Management Firm to provide the resources (staffing, equipment, office facilities and others) necessary for the timely and efficient implementation of the University's goals and objectives as described in the RFP								
<b>III-Proposal Fee</b>				<b>15</b>				
Proposed rates and level of service are reasonable and appropriate in relation to the service requested								
<b>IV - Methodology</b>				<b>25</b>				
The Construction Management firm proposed methodology is reasonable and logical and will ensure that the University requirements will be met and indicates that the Construction Management Firm has a clear understanding of the scope of service required.								
<b>TOTAL</b>				<b>100</b>	<b>0.0</b>		<b>0.0</b>	



The Purchasing Department's Policies

Name:								
<b>A/E SCORESHEET</b>								
Project Title:					<b>A/E APPLICANTS</b>			
NIST PROJECT								
Project Location:		Raw Score Key						
		0.9 to 1.0	Excellent					
Project #:		0.7 to 0.8	Very Good					
		0.4 to 0.6	Acceptable					
Date:		0.2 to 0.3	Marginal					
		0.0 to 0.1	Poor					
				<b>WEIGHT</b>	<b>RAW SCORE</b>	<b>WEIGHTED SCORE</b>	<b>RAW SCORE</b>	<b>WEIGHTED SCORE</b>
<b>I - Schedule</b>				<b>20</b>				
project schedule and whether it reflects completion of all activities necessary to keep the project on track.								
<b>II -Qualification of Staff</b>				<b>20</b>				
Areas of expertise								
Architectural , Electrical Engineering, Mechanical Engineering								
Structural Engineering, Civil Engineering ,Fire Protection, & Assistance with Zoning Approval								
<b>III-Past Performance</b>				<b>20</b>				
Similar projects, quality of work timeliness, and ability to meet budget constraints								
<b>IV - Priority</b>				<b>20</b>				
Priority assigned to the project.								
<b>V - Ability for Follow Directions</b>				<b>20</b>				
Includes proposal preparation instructions as an indicator to follow instructions.								
<b>TOTAL</b>				<b>100</b>		<b>0</b>		<b>0</b>