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1. Purpose. To set forth regulations and procedures for the procurement of goods and services consistent with Board policies, and applicable laws and regulations.

2. Definitions. For the purpose of these regulations and procedures the following definitions apply.

2.1 “Agreement” means any legally enforceable promise(s) between the University and one or more parties committing University resources. These resources may be money, for example, direct payment, or use of University staff, facilities, equipment, or supplies.

2.2 “Bid Bond” means a guarantee the bidder will accept the contract for the stated bid amount, or the University will be compensated for any additional amount required for the bidder’s failure to perform.

2.3 “Competitive Bidding” means a system whereby two or more vendors are invited to submit bids on goods or services with each submitted bid considered equally.

2.4 “Payment Voucher” means a University form authorizing payment to a vendor.

2.5 “Procurement Card” means a University credit card for purchasing and paying for small dollar transactions from off-campus vendors.

2.6 “Purchase Order” means the document issued to a vendor by the Purchasing Department to formalize an agreement for the purchase of goods and/or services by the University. The goods, services, prices, and other terms and conditions are itemized on the document.

2.7 “Requisition” means a request for approval to purchase goods or services.

2.8 “Sole Source” means there is only one known supplier of the requested goods and/or services. One known manufacturer, but more than one supplier, is not a sole source situation.

3. Limits and Thresholds

3.1 Agreements Approval. Agreements involving Washburn University in financial obligations of any kind must be approved in advance by the President, VPAT or VPAT's designee. Exceptions: procurement card transactions (See Section 14 below) or purchases of less than \$500 (See Section 17 below).

3.2 Officials Authorized. The University officials authorized to approve agreements are the President, the VPAT, the Controller/Director of Accounting, and the Director of Purchasing.

3.3 Limited Approval Authorization. The VPAT may designate other Employees to sign agreements for specific purposes.

3.4 Sponsored Programs Requirements. In the administration of grants or contracts for sponsored programs, applicable documents may impose additional purchasing requirements. These additional requirements shall also be followed.

3.5 Board Approval Requirement. Proposed purchases of \$50,000 or more require advance approval by the Board. Such proposals and appropriate supporting documents are presented to the Board by the VPAT. The following two types of transactions do not require prior Board approval even when they exceed \$50,000:

- Payments for utilities services; and,
- Purchases of products for re-sale in either the Bookstore or dining services.

3.6 Employee Sales Restriction. No Employee, except as permitted under the University's Conflict of Interest policy, shall:

- Negotiate sales with;
- Compete for sales to; or,
- Make a sale to the University.

3.7 Agenda Deadlines. Agenda deadlines necessitate items requiring Board approval be submitted well in advance of the meeting. Contact the Purchasing Department for agenda deadlines.

4. Competitive Bidding. Use of competitive bidding is required for purchases reasonably expected to be \$10,000 or more.

5. Request for Quotation/Request for Proposal (RFQ)/(RFP). Competitive bidding requires the preparation of a Request for Quotation or Request for Proposal. The preparation of this document frequently is an involved process, taking an extended period of time to develop appropriate specifications. Additionally, evaluation of the bids/proposals received may take several weeks.

5.1 Project Initiation. To initiate the project, the Department Head shall contact the Director of Purchasing as many weeks in advance of the desired acquisition date as possible. The Director of Purchasing and the Department Head are responsible for working cooperatively to develop specifications.

5.2 Successful Vendor Selection. The successful vendor shall be identified by the Director of Purchasing in consultation with the Department Head and/or, if applicable, committee. Any contract awarded shall be to a responsible vendor who submits the best, qualified and responsive proposal/quotation as determined by the University.

5.3 Purchase Requisition. The Department Head shall submit a purchase requisition once the successful vendor is identified. The requisition shall be via the electronic approval process.

6. Bid Information. The Director of Purchasing shall release bid information only after the award is made. Exception: when a public opening of the bid is conducted.

7. Bid Bonds.

7.1 Requirement Determination. Requirement of a bid bond shall be determined by the Director of Purchasing. Factors which shall be considered include, but are not limited to:

- The dollar amount and/or the complexity of the intended purchase;
- The product or service;
- The competitive conditions; and,
- The history of such purchases.

7.2 Bid Security. Bid bonds shall be the only instrument by which a vendor may provide monetary security for submitting bids..

8. Waiver of Bid Requirements. The Director of Purchasing may waive competitive bidding requirements in the following situations:

- There is an unforeseen and immediate need;
- There is an emergency need;
- There is only one known source for the purchase;
- The vendor's product or service has a current contract price with the State of Kansas; or,
- The price of product or service from the vendor was competitively bid by an educationally related organization of which the University is a member.

9. Sole Source Determination. Written justification shall be submitted by the Department Head to the Director of Purchasing to request a sole source purchase. In support of the request, one or more of the following criteria shall be substantiated:

- Based upon generic specifications there is only one supplier for the requested goods and/or services;
- No other manufacturer's product will correctly interface with existing equipment;
- The product must match existing equipment and is being purchased to provide uniformity for instructional purposes; and/or,
- The product must be compatible for research purposes because:
 - ❖ The main purpose of the purchase is to replicate specific experiments using the exact products that produced the original results; or,
 - ❖ Collaboration with another researcher requires products identical to those being used by that researcher.

10. Vendor Grievance. A vendor may raise a grievance concerning a bid solicitation or award with the Director of Purchasing or other officer designated in the bid documents.

10.1 University Response. The Director of Purchasing or other officer shall promptly respond as follows:

- If grievance is made prior to bid opening, an addendum to the bid document will be issued if the Director of Purchasing decides there is a need to do so in order to make a clarification;
- If grievance is made following bid opening, the Director of Purchasing shall take action deemed appropriate to resolve the grievance; and,
- Provide the vendor with a copy of the grievance procedure.

10.2 Dissatisfied Vendor Response. A vendor dissatisfied with the response of the Director of Purchasing may file a written complaint to the Controller/Director of Accounting. The vendor shall:

- File the written complaint not later than three business days following the bid opening;
- Fully state the grievance;
- Identify the bid being grieved;
- State the specific reasons for filing the grievance, and reference any applicable documents; and,
- State the desired remedy.

10.3 Controller/Director of Accounting Response. The Controller/Director of Accounting's determination shall be issued in writing not later than five business days following receipt of the vendor's written complaint.

10.4 Second Vendor Response. A vendor dissatisfied with the response of the Controller/Director of Accounting may appeal to the VPAT. The appeal shall:

- Be made in writing not later than five business days of the date of the Controller/Director's response;
- Be limited to the issues raised in the written complaint to the Controller/Director of Accounting; and,
- Not include any issues not previously raised.

10.5 Vice President Review. The VPAT shall review:

- The vendor's complaint;
- The Controller/Director of Accounting's written determination; and,
- Supporting information regarding the issues which either the vendor or the Controller/Director wants considered.

10.6 Vice President Response. The VPAT's determination shall be issued in writing not later than five business days following the receipt of the appeal.

10.7 Final University Decision. The VPAT's determination is the final decision of the University, and the vendor shall be deemed to have exhausted all administrative remedies.

10.8 Contract Award Delay. No award of contract shall be made until the grievance is resolved except when:

- The grievance is not filed until after the third day following the day of the bid opening;
- An award was made before the grievance was filed; or,
- The VPAT makes a written determination awarding the contract without delay is necessary to protect the substantial interests of the University.

11. Purchases Under \$10,000. For purchases reasonably estimated to be under \$10,000 but over \$500 the Department Head shall:

- Consult with the Director of Purchasing about procedures for getting price quotations;
- Advise vendors that requesting information and/or a price quote does not imply an order is being placed;
- Direct vendors where to submit price quotations;
- Evaluate the price quotations to determine the best, qualified, responsive, and responsible vendor and make a recommendation to the Purchasing Department; and,
- Send all price quotations to the Purchasing Department at the time the requisition is submitted electronically.

12. Submitting Requisitions. Requisitions for goods or services shall be submitted electronically through Banner.

12.1 Information Required. Required for the requisition are:

- Requestor and vendor data;
- Commodity information, including full description of product or service; and,
- Accounting information, including Fund, Organization, and Account.

12.2 Submission of Requisition. Requisition is submitted for approval automatically upon completion of the electronic form.

13. Monthly Purchase Orders.

13.1 When Applicable. Utilization of monthly purchase orders shall be permitted when a type of goods or services is purchased from one vendor several times during an established time period. Each purchase of a good or service must be in a small dollar amount. The established time period may normally not exceed one month.

13.2 Requesting the Order. Requests for a monthly purchase order shall be made by submitting a requisition through the electronic approval process.

13.3 Information Required. The request for a monthly purchase order shall include:

- The billing period to be covered;
- The name of the individual(s) authorized to make such purchases;
- The type of goods or services to be purchased; and,
- The maximum dollar amount. This amount may not be exceeded without advance approval by the Director of Purchasing.

13.4 Invoice Requirement. An invoice shall be obtained from the vendor at the time of each purchase.

13.5 Payment Request. The request for payment shall be submitted in the following manner after the last work day of the time period:

- Attach invoices to the Department copy of the purchase order, and include invoice numbers, dates, and dollar amounts on the Department copy; and,
- Sign the Department Copy and send it to Accounts Payable.

14. Procurement Card Program (P-Card).

14.1 Types of Purchases. Types of purchases for which the P-Card may be used include, but are not limited to:

- Office supplies;
- Subscriptions;
- Computer software and accessories;
- Reprints of journal articles;
- Maintenance and repair materials;
- Day planners; and,
- Books.

14.2 P-Card Use Restrictions.

14.2.1 Types of purchases not permitted are listed in the Procurement Card User's Guide.

14.2.2 No personal purchases with the P-Card are permitted.

14.2.3 Each purchase normally shall be \$500 or less, inclusive of shipping and handling costs.

14.2.4 A total dollar limit for each 30 day billing cycle is set by the P-Card holder's Department Head.

14.3 Obtaining a Card.

14.3.1 To request a P-Card contact the Director of Purchasing to obtain a "Procurement Card Application" form and Procurement Card User's Guide.

14.3.2 The P-Card will be issued only after the applicant has completed the required training and submitted to the Director of Purchasing a signed "Procurement Card Holder's Agreement."

15. Departmental Charges and Charge Backs. Purchases by one University Department from another of goods and/or services may be made. Proper authorization, by signature, to charge the appropriate account(s) of the Department making the purchase is required. Examples of charge/charge back purchases include, but are not limited to:

- Telephone toll expense;
- Catering by Dining Services;
- Books and/or supplies from the Bookstore; and,
- Work performed by Facilities Services.

16. Receiving Merchandise.

16.1 Receiving Responsibility. The individual receiving delivery shall:

- Inspect the package, carton, etc. for apparent damage;
- Note any recognized damage on the bill of lading;
- Affix bill of lading to the package, carton, etc; and,
- Immediately report any apparent damage to the purchasing department's head and the Director of Purchasing.

16.2 Unpacking Responsibility. The individual who unpacks shall:

- Determine if the correct product has been received and is in good order;
- Note on the Department Copy of the purchase order any damage not discovered at the receiving point; and,
- Immediately notify the Head of the receiving Department and Director of Purchasing of any damage not previously reported.

17. Purchases Without Advance Approval (Payment Voucher). Certain types of small dollar purchases may be made without the use of a purchase order or other contract form. These types of purchases are limited to \$500 per transaction.

18. Business Travel Card. Employees whose job duties require travel may apply for a business travel card through the University authorized bank.

18.1 Application. Contact the Purchasing Office to obtain the application form and instructions for processing.

18.2 Employee Responsibility. The Employee shall:

- Be liable for all expenses charged to the card;
- Receive statements directly from the bank; and,
- Pay the bank directly.

18.3 Reimbursement. To receive reimbursement, the Employee shall submit a travel expense report supported by documentation including, but not limited to, applicable receipts. The travel card bank statement shall not be considered a receipt.

19. Procurement of Architect-Engineer, Construction Management, and Land Surveying Services. Proposals for services for architect-engineer, construction management, and land surveying (design/management services) shall be publicly solicited. Contracts for such services shall be negotiated on the basis of demonstrated competence and qualification for the particular type of service required. The contracts for service shall be at fair and reasonable prices.

19.1 Exceptions.

19.1.1 Design/management services necessary to meet emergency needs may be accomplished without public solicitation.

19.1.2 Design/management services which are estimated not to exceed \$25,000 may be contracted for by the Administration by direct negotiation and selection. The Administration shall take into account the:

- Nature of the project;
- Proximity of the design/management individual or organization to the project location;
- Capability of the design/management individual or organization to produce the required service within a reasonable time;
- Past performance of the design/management individual or organization; and,
- Ability of the design/management individual or organization to meet project budget requirements.

19.1.3 Fees paid to any one design/management individual or organization for professional services during the 24 months immediately preceding negotiation of a contract pursuant to this section shall not exceed \$75,000.

19.2 Selection Committee. The President shall, for each project, appoint a design/management services selection committee composed of no fewer than 3 Employees with the VPAT serving as a permanent member to coordinate and account for the work of the committee. Two members shall be from the Facilities Services staff. The committee shall be responsible for:

- Developing a description of the proposed project;
- Enumerating all required professional services for the project; and,
- Preparing a formal request for proposal (RFP).

19.3 RFP Requirements. The RFP shall include, but not be limited to the:

- Title of the project;
- General scope of work;
- Description of professional services required ;
- Criteria by which proposals will be evaluated;
- Submission deadline for responding to the RFP; and,
- Description of how interested individuals or organizations may apply.

19.4 RFP Response Time. The date for submission of proposals in response to the RFP shall be not less than 15 calendar days nor more than 45 calendar days from the date the RFP is first advertised.

19.5 Respondent Interviews. After reviewing all proposals received, the selection committee shall interview at least 3 of the respondents (all respondents if fewer than 3). Those interviewed shall be those deemed most qualified on the basis of proposal information received.

19.6 Selection and Ranking.

19.6.1 In evaluating interviewed respondents, the selection committee shall consider the following criteria:

- Past performance;
- Abilities of professional personnel;
- Demonstrated ability to meet time and budget requirements;
- Recent, current, and projected work load of the respondents;
- Creativity and insight related to the University's needs for, and use of, the project; and,
- Related experience on similar projects.

19.6.2 Based upon these evaluations, the committee shall prepare a report which:

- Summarizes the evaluations of the interviewed respondents;
- Recommends to the Board , through the President, the selection of the respondents in rank order; and,
- Includes rationale for the committee's recommendations.

19.7 Contract Award.

19.7.1 Upon receiving Board authorization, the Administration shall commence contract negotiations in the following manner:

- First efforts will be to reach an agreement with the top ranked respondent;
- If first efforts are unsuccessful, negotiations shall be formally terminated with the top ranked respondent; and,
- Negotiations shall proceed with each succeeding ranked respondent until a satisfactory contract is reached or negotiations with all ranked respondents have been formally terminated.

19.7.2 If negotiations with all ranked respondents are terminated, the Administration shall recommend to the Board that:

- Interviews be conducted with respondents not in the first ranking, if any;
- New requests for proposals without any revision of project requirements be submitted; or,
- New requests for proposal with revisions in the project which might attract additional proposals be submitted.

19.7.3 Any contract awarded shall be at compensation and terms deemed fair and reasonable to the University.

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