



# PURCHASING MANUAL

BY:

**FLORIDA ATLANTIC UNIVERSITY  
PURCHASING DEPARTMENT  
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## **OBJECTIVE & PURPOSE**

To establish to the extent possible and practical, uniform purchasing procedures for the acquisition of commodities, contractual services and construction.

## **AUTHORITY**

Florida Statutes 1001.74(4), (5), (17), (23), (24), (29), (34), 1001.75(5), (16), (19); Florida Administrative Code, Chapter 6C5-6.008; Presidential Memorandum PM 71.

## **POLICY/POLICY REFERENCE:**

Section 1001.74 (5), Florida Statutes, grants acquisition authority to the University Board of Trustees. Section 1001.75(5), Florida Statutes, delegates responsibility for the purchasing function to the University President or their designee(s). Florida Administrative Code, 6C5-6.008 establishes the Purchasing Rules for administration of a purchasing program at Florida Atlantic University.

The purpose of this document is to establish uniform policies and procedures consistent with the authority and responsibilities granted to the Florida Atlantic University Board of Trustees and the President towards the establishment of an effective purchasing program.

## **RULES:**

Effective February 13, 2003, Florida Atlantic University promulgated it's purchasing rule, Chapter 6C5-6.008, Florida Administrative Code, to serve as the replacement of s. 287, Florida Statutes, and the Board of Regents Rules for Administration of the Purchasing Program, Chapter 6C-18, Florida Administrative Code.

## **PROCEDURES**

### **0.01 INTRODUCTION**

Purchasing is an important function of the administrative management of the University. The purchasing function is assigned to the Purchasing Department. The Purchasing Department is a customer service organization which supports the students, the instructional and research efforts of the faculty and staff, as well as other University service departments such as the Physical Plant, the University Controller's office, Student Activities, and Information Resource Management and the direct-support organizations of the campus community.

Purchasing involves the acquisition of equipment, furnishings, supplies, construction services, maintenance services, professional services, contractual services, and the lease of space for the University within pre-established budgetary constraints. Purchasing functions also include

preparing budget estimates; preparing bid specifications; initiating formal quotations, proposals and bids; conducting public bid openings; evaluating bids; and negotiating and awarding contracts.

This manual, issued by the Director of Purchasing by direction of the University President, establishes uniform procedures relating to the purchase of commodities and services.

The manual reflects statutory requirements of the State of Florida, rules and directives established by the Department of Education, and standard practices in the public university system of Florida, as applicable. The requirements stated herein shall apply to all purchases of commodities and services whether funded by state appropriation, grants, or student fees.

Except as otherwise delegated herein, the Purchasing Department is the only University department authorized to commit funds for the acquisition of commodities or services and is the initial point of contact for service contracts and agreements prior to any obligation or commitment by the University.

## **0.02 DEFINITIONS**

A. Artistic Services - Services provided by an individual or group of individuals who profess and practice a skill in the area of music, dance, drama, folk art, creative writing, painting, sculpture, photography, graphic arts, web design, craft arts, industrial design, costume design, fashion design, motion pictures, television, radio or tape and sound recording or in any other related field.

B. Business - Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity which has commodities and/or services available under specifications required by the University.

C. Commodity - Any of the various supplies, materials, goods, merchandise, food, equipment or other personal property, including a mobile home, trailer or other portable structure, which are purchased, leased, lease-purchased or otherwise contracted for by the University. Commodity also includes interest on deferred-payment contracts entered into by the University for the purchase of other commodities. Printing of publications, vehicles and software and license agreements shall be considered commodities.

D. Competitive Bid/Proposal - The response submitted to an Invitation to Bid, Request for Proposal, or an Invitation to Negotiate by responsive and qualified bidders or offerors.

E. Competitive Negotiation - The establishment of a contract through deliberation, discussion or conference on the specifications, terms and conditions of a proposed agreement.

F. Competitive Solicitation - An Invitation to Bid, Request for Proposal or Invitation to

Negotiate to competitively select a contractor.

G. Construction - Construction means the building, altering, improving, repair, or demolishing of any real property owned or leased by the University.

H. Contract - Any agreement or purchase order for the purchase or disposal of commodities or services.

I. Contractor/Vendor - A person or firm who contracts to sell commodities or contractual services to the University.

J. Contractual Service - The rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors. Contractual service does not include labor or materials for the construction, renovation, repair or demolition of facilities.

K. Definite Quantity Contract - A contract to furnish a specific quantity of an item or items at a specified price and time. The contract is fulfilled by delivery and acceptance of the specific quantity at the University, on such place designated in the contract.

L. Department - A budget entity which has been assigned a fund and organization number by the University.

M. Emergency Purchase - The purchase of commodities or services due to a danger to the public health, the safety or the welfare of person(s), animal(s), the preservation or protection of property, or the continuance of a vital University function. Note that emergency purchases can only be applied to unforeseen events; a lack of planning does not constitute an emergency.

N. Extension - An increase in the time allowed for the performance of the contract.

O. Identical (Tie) Bids - Two or more bids which are equal in all respects as to price, quality and service.

P. Quotation - A written or verbal offer for commodities or services not requiring a public opening at a specific date and time.

Q. Independent Contractor - A person or firm who provides a commodity or service to the University but does not have any employment or other relationship or connection with the University, except as provided in s. 112.313, F.S.

R. Invitation to Bid - A written solicitation for competitive sealed bids, designating the title, date, and hour of the public bid opening and also defining the commodity, group of commodities or services.

S. Invitation to Negotiate - An invitation extended to prospective contractors, whether by advertisement, written solicitation, electronic media or any other form of communication, to define the specifications, terms and conditions of a contract for commodities or contractual services.

T. May - Denotes the permissive.

U. PCard - The FAU Purchasing Card is used for official university-related purchases by regular university employees who are in a fiscally responsible position. Please see the supplement entitled "Purchasing Card User Manual/University Agency Plan" for related policies and procedures.

V. Person - Any business, individual, union, committee, club, or group of individuals.

W. Public Entity Crime - A violation of any state or federal law by a person in the transaction of business with any public entity of any state or with the United States government involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy or material misrepresentation.

X. Purchase - An acquisition of commodities, services or licenses obtained by purchase order, contract or other authorized purchasing method, whether by rent, lease, installment, lease-purchase or outright purchase.

Y. Purchases for Resale - The purchase of commodities or contractual services acquired for the purpose of selling them for the benefit of the University.

Z. Renewal - Contracting for an additional period of time after the initial contract term, provided the original terms of the agreement specify an option to renew.

AA. Request for Proposal - A written solicitation for competitive proposals for commodities or contractual services designating the title, date, and hour of the public opening. The request for proposal is generally used when the scope of work is not clearly defined.

BB. Responsive and Qualified Bidder or Offeror - A contractor/vendor who has submitted a bid or proposal that conforms in all material respects to a competitive solicitation.

CC. Shall - Denotes the imperative.

DD. Sole Source Purchase - A purchase of commodities or services that are non-competitive.

EE. Term Contract – A contract for the purchase of commodities or contractual services over a prescribed period of time.

FF. Valid Response - A responsive offer in compliance with bid specifications and conditions.

GG. Vehicles - Includes any automobile, truck, motorcycle, bicycle, golf cart, watercraft or other vehicle designed primarily for transporting persons as well as construction vehicles or farm equipment. Vehicles owned, leased or operated by the University shall be available for official University business only.

DD. Categories - Purchasing thresholds that govern the procedures to be used in university purchasing.

## **1.0 GENERAL POLICIES AND PROCEDURES**

This section contains the general procedures of the Purchasing Department.

### **DEFINITIONS**

- A. Purchasing Activity - A University function delegated to the Purchasing Department by the University President, to develop descriptions/specifications, selection and solicitation of sources, and prepare award of contracts for commodities and services.
- B. Purchasing Officer - A person, delegated the authority by the University President, to enter into, award, modify or terminate contracts and make related determinations and findings. The term includes any authorized representatives of the purchasing officer acting within the limits of their authority.

### **1.1 STATUTORY AUTHORITY**

Section 1001.74 (5), Florida Statutes, grants acquisition authority to University Board of Trustees. Section 1001.75(5), Florida Statutes, delegates responsibility for the purchasing function to the University President or their designee(s). Florida Administrative Code, 6C5-6.008 establishes the Purchasing Rules for administration of a purchasing program at Florida Atlantic University.

**1.2 PURCHASING RESPONSIBILITY AND AUTHORITY** - The University President is the Chief Executive Officer and is responsible for the operation and administration of the University. The President has delegated to the Purchasing Department the powers and duties prescribed in s. 1001.75(5), F.S.

**1.3 DIRECTOR of PURCHASING** - The Director of the University Purchasing Department serves as the Purchasing Officer for the University. The University President has delegated the following contracting duties to the Purchasing Department:

- A. Canvass all sources of supply and contract for the purchase, lease, or acquisition in any manner of all commodities, construction, installment, lease-purchase and services required by the University, under competitive bidding or contractual negotiation;
- B. To plan and coordinate purchases in volume and to competitively bid, negotiate and execute purchasing agreements and contracts for the recurring needs of the University;
- C. To prescribe the methods of securing bids or negotiating and awarding contracts;
- D. To negotiate on the best terms and conditions in the event no bids are received;

- E. To establish standards, formulate specifications, and determine the source of supply for any commodity or service requisitioned by any department of the University, except as specifically provided under Section 1.4, Contract Authority;
- F. To prescribe items and quantities to be purchased locally by departments;
- G. To execute contracts, whether by purchase order or other approved purchasing method, for commodities and services required by the University;
- H. To develop, distribute, and maintain the policies and procedures manual of the Purchasing Department in furtherance of FAC 6C5-6.008;
- I. Evaluate the ability of any vendor to remain on a competitive vendor list, based on the Vendor's responsiveness to competitive solicitations, the Vendor's ability to fulfill the duties specified in contracts, or any disruptive or unprofessional conduct or conduct which is not conducive to the University environment on the part of the Vendor or its agents;
- J. Develop an Annual Certification List to serve as a waiver of the competitive solicitation requirement for commodities/services that are frequently purchased and are available from a single source;
- K. Evaluate and approve contracts let by the Federal Government, the State, other states, political subdivisions or entities, colleges, universities, educational cooperatives or educational consortia for the procurement of commodities and contractual services, when it is determined to be in the best interest of the University to make purchases under contracts let by such other entities;
- L. Elect as an alternative to the provisions of s. 120.57 (3)(c) F.S., to proceed with a bid solicitation or contract award process when it is set forth, in writing, that the particular facts and circumstances which demonstrate that the delay due to staying the solicitation or contract award process would be detrimental to the interests of the University;
- M. Award contracts for commodities and contractual services. This includes the authority to make awards to multiple suppliers, awards in multiple year terms, or award contracts on behalf of multiple institutions or entities;
- N. Reject or cancel any or all competitive solicitations, in whole or in part, when determined to be in the best interest of the University;
- O. Purchase insurance as appropriate for the operation and educational mission of the University;

**1.3.1 PURCHASING DEPARTMENT STAFF, DELEGATED AUTHORITY** - The Purchasing Director has delegated signing authority to key Purchasing Staff with the following limitations:

Associate Director:	All contracts up to \$1,000,000
Assistant Director:	Purchase Orders up to \$500,000
Coordinators:	Purchase Orders up to \$12,500
Purchasing Agents:	Purchase Orders up to \$12,500
Office Manager:	Purchase Orders for Conference Registration
Senior Clerk:	Purchase Orders for Organizational Memberships

**1.4 CONTRACTING AUTHORITY OTHER THAN PURCHASING** - The President has delegated to the following University positions, not under the supervision of the Director of the Purchasing Department, the contracting duties as follows.

- A. Senior Vice President for Finance and Chief Operating Officer - to approve and execute contracts for the University, in the absence of the President.
- B. University Provost, Academic Affairs - to approve and execute all grants, donations, and research and instructional contracts received on behalf of the University and to recommend to the Director of Purchasing the use of the sponsored research exemption.
- C. Director of Library - to approve and execute purchase orders for the acquisition of copyrighted and single source instruction materials, tapes, publications, manuscripts, films and personal library collections acquired from library resource funds.
- D. Dean, Continuing Education - to approve and enter into agreements related to credit and non-credit activities and educational contract programs in accordance with university policies and procedures.
- E. Director, Sponsored Research - to approve and enter into agreements for activities and programs using sponsored research and grant funds in accordance with University policies and procedures.

**1.5 CODE OF ETHICS AND STANDARD OF CONDUCT** - All University personnel engaged in purchasing and related activities shall conduct business dealings in a manner above reproach in every respect. Transactions relating to expenditure of public funds require the highest degree of public trust to protect the interests of the University and the taxpayers of Florida. All University personnel engaged in the purchasing cycle, including the President, Vice Presidents, Deans, Chairpersons, Directors, budget committee members, initiators of requirements and their supervisors, receiving personnel, finance and accounting personnel, pCard holders, and all members of a purchasing activity are bound by the standard of conduct for public officers and employees set forth in Chapter 112, Part 3, Florida Statutes and Florida Atlantic University Rule on University Ethics, Rule 6C5-5.013, F.A.C

## **1.6 EMPLOYEE CONFLICT OF INTEREST AND GRATUITIES**

A. Conflict of Interest - Except as may be permitted by the rules of the Florida Atlantic University, it shall be a breach of ethical standards for any employee of the University to participate directly or indirectly in the purchasing process when the employee knows that:

1. He/she or any member of his/her immediate family, will benefit from a University purchasing transaction;
2. A business or organization in which he/she, or any member of his/her family, (spouse, children, parents, brothers and sisters) has a financial interest and will benefit from a University purchasing transaction; or
3. Any other person, business or organization with whom he/she or any member of his/her immediate family, is negotiating or has an arrangement for employment and will ultimately benefit from a University purchasing transaction;
4. All employees having a financial interest in a private concern shall file a statement annually with the University disclosing such interest;
5. All individuals taking part in the development or selection of criteria for evaluation, the evaluation process, and the contract award process in any purchase shall be independent of, and have no conflict of interest in the entities evaluated and selected.

B. Gratuities - It shall be a breach of ethical standards for any employee of the University to accept, solicit, or agree to accept a gratuity of any kind for personal gain in connection with any contract for commodities or services. Current or potential contractors are prohibited from offering an employee of the University a gratuity of any kind for the employee's personal gain to influence the development of a contract or potential contract for commodities or services.

## **1.7 BIDDING**

A. Informal - For purchases up to \$12,499 informal quotations may be solicited in writing or by telephone. Verbal quotes may be documented on a work sheet, on the requisition, or with other documentation on file in the Purchasing Department.

B. Competitive Quotes - For purchases between \$12,500 and \$49,999, competitive quotations must be obtained in writing from two or more sources when the commodity or service warrants competitive pricing and not otherwise exempted. The Purchasing Director may, at his/her discretion, waive the requirement for written quotations when it is in the best interests of the University. The purchasing file shall be documented prior to the processing of a purchase order by the Director as to the circumstances when competitive quotes are not obtained. .

C. Formal - Purchases of contractual services, commodities or deferred payment contracts in excess of \$49,999 shall not be made without attempting to secure two or more formal bids, unless otherwise exempted herein.

D. For the purposes of determining the bidding threshold the total cost of the requirement may include any options, add or deduct alternates, and trade-ins, for the life of the contract.

**1.8 TERM OR ANNUAL CONTRACTS** - The Purchasing Department shall secure term contracts whenever possible. The essential feature of a term contract is the establishment of a source, or sources of supply, for a specified commodity or group of related commodities or services for a stipulated price and period of time. Contracts offer the economy of large-scale purchasing, although requirements are spread over an extended period of time.

**1.9 VENDOR FILE AND SELECTION** - The Purchasing Department has the responsibility to develop and maintain a vendor file. The Purchasing Department may use vendors recommended by the requisitioning department and expand the file maintained in the Purchasing Department as well as other appropriate resources.

**1.10 PLANNING WITH DEPARTMENTS** - If the needs of a department are complicated or extensive, or if a major project is being planned, the Purchasing Staff is available for assistance in planning for the acquisition of needed materials, equipment or supplies.

**1.11 PURCHASES FOR INDIVIDUALS** - The Purchasing Department is not authorized to make purchases for any individual or non-University organization.

**1.12 SPLITTING OF ORDERS** - The deliberate attempt to split orders, where the purpose is keeping the total cost of each order below bid or quote limits, and failure to combine orders when practical for the interest of economy, is an evasion of the Florida Statutes and Purchasing Rules. The splitting of orders is a prohibited activity and therefore, unlawful. Any related needs that are known or should have been reasonably known at the time of the requirement should be combined into one coherent request for procurement.

**1.13 AUTHORIZED EXPENDITURES** - An expenditure of funds must be authorized by law and must meet the intent and spirit of the law authorizing the funds.

**1.14 PURCHASES OF A PERSONAL NATURE** - The expenditures from University funds for the items listed below are prohibited unless "expressly provided by law" or otherwise exempt:

- A. Congratulatory telegrams;
- B. Flowers and/or telegraphic condolences;
- C. Awards and Plaques;
- D. Entertainment;
- E. Refreshments, such as coffee and doughnuts;
- F. Decorative items, such as globes, statues, potted plants, desk lamps, picture frames, and wall hangings.
- G. Christmas or other greeting cards and postage for such cards;
- H. Personal subscriptions to magazines and trade journals;
- I. Desk pen sets;
- J. Coffee and coffee brewing devices.
- K. Portable heaters;
- L. Fans, for personal use;
- M. Refrigerators for personal use;
- N. Stoves and microwave ovens;
- O. Smoke filters and smokeless ashtrays.
- P. Various decorative items.
- Q. Clothing (except approved uniforms).
- R. Promotional materials and/or advertising expenses.
- S. Personalized printed materials such as envelopes and stationary, except business cards.

## **1.5 PURCHASES OF FOOD PRODUCTS, ROOM RENTAL AND ENTERTAINMENT**

University policy prohibits the expenditure of public funds for food products, entertainment or similar items with the following exceptions:

- A. The product is used directly in instruction or research;
- B. The expenditure is specifically provided for in the terms of a contract, grant or donation;
- C. Short course or conference fees have been collected for the express purpose of paying for such items;
- D. Student functions, when approved by the Vice President, Student Affairs.
- E. Direct payment of hotel rooms for individuals must have the prior approval of the Comptroller's Office. In order to make this type of payment, there must be a substantial savings to the University.

**1.16 MOVING EXPENSES** - Moving expenses for Faculty, Administrative and Professional, and University Support Personnel System employees must be approved in advance by the Senior Vice President of Finance. Only direct payments to University contract moving vendors are authorized; all other expenses may be reimbursed through the Controller's Office via travel and non-travel related reimbursement procedures. Authorized expenses include packing and shipping household goods to a maximum 15,000 lbs. or a mobile home. Charges for unpacking and extra insurance are not allowed and must be paid separately by the moving party at the time of delivery. All moving expenses for storage of household goods and expenses for moving non-line employees and/or visiting professors must be approved by the University President.

A. Requesting Department Responsibility – Submit a memo to the Senior Vice President for Finance and Chief Operating Officer requesting approval to pay moving expenses. Memo should include the persons name, social security number, position coming from, the new position title and salary, the date of employment and the maximum dollar amount allowed for the move. Submit a requisition to the Purchasing Department for the move, to include the name, current address, or address where goods will be moving from and the telephone number where the person can be contacted.

B. Financial Affairs Responsibility - Prepare the "Request to Pay Moving Expenses" form. Obtain approval. Send copy of approved form to the Purchasing Department and the Requesting Department.

C. Using Department/New Employee's Responsibility - The Using Department and/or the New Employee shall contact the Purchasing Department to obtain the names and contact information of the approved contract movers. The new employee will contact the selected moving company(ies) to obtain a quote(s). The quote from the selected moving company shall be forwarded to Purchasing along with a funded purchase requisition and the Financial Affairs approval memo prior to the move so that a purchase order can be issued.

D. Purchasing Department's Responsibility - Issue purchase order after receipt of approval and moving company quotation. Make final arrangements with the commercial common carrier with regard to invoice and payment procedures. Assist the department and employee regarding university moving procedures.

**1.17 EQUIPMENT ON A TEMPORARY TRIAL OR LOAN BASIS** - Equipment placed on campus on a temporary trial or loan basis by a vendor must have the prior approval of the Purchasing Department.

**1.18 CONFIRMING PURCHASE ORDERS** - Departments are not authorized to place orders directly with vendors for goods or services. The Purchasing Department is the only authorized agent for the University. If a department has an immediate need, the Purchasing Department may confirm an order with a vendor after the proper acquisition method has been selected and

executed. In the event that the department receives goods prior to the approval of the Purchasing Department, an explanation/justification shall be provided with the requisition.

**1.19 WEAPONS** - Only the University Police Department may purchase firearms and related items for use on the campus. Any department that desires to purchase firearms for academic or demonstration purposes must acquire written authorization from the University Police Chief.

**1.20 CAPITALIZATION OF COMPUTER SOFTWARE** - the cost of computer software (other than for research and development activities) purchased for data systems, computer systems, word processing systems, and other systems requiring operating software and documentation must be capitalized if all of the following criteria are met:

- a. absolute useful life of one year or more, and
- b. owned or having a non-time-limited license for use, and
- c. value of \$1,000 or more per unit of software.

Note: Upgrades to software must meet the same criteria as initial purchases for capitalization.

**1.21 NOTICE WHEN CONSIDERING OUTSOURCING** - The Director of Personnel Services and the Director of Purchasing shall be notified when the outsourcing of university functions, services or other alternative delivery systems are being considered, which may result in the layoff of employees. Such notice shall be sent to the above prior to a general announcement or issuance of requests for proposals.

**1.22 AUDIT SERVICES** - With the exception of the annual audits of the financial statements, most audit and audit-related services can be provided by the OIG; however, there may occasionally be a need for these services to be procured from a source outside the University.

Appropriate personnel shall work with the Inspector General and determine (1) what audit and audit-related services may best be provided by the OIG versus an outside source, and (2) the level of involvement by the OIG in procuring audit and audit-related services from outside the University. Whenever these services are provided by a source outside the University, a copy of the written results shall be provided to the OIG.

**1.23 SYSTEMWIDE CONTRACTS** - The Inter-institutional Committee on Purchasing (ICOP) has developed policies and guidelines for establishing system wide contracts and cooperative agreements for use by the universities. ICOP will monitor frequent purchases made by the universities and initiate actions to establish system wide contracts as deemed necessary and appropriate. System wide contracts and cooperative agreements will be a standing agenda item for all ICOP meetings.

**2.0 PURCHASING DEPARTMENT ORGANIZATION** - Organizationally, the Purchasing Department consists of three (3) functional sections.

A. Acquisition and Contract Administration Section - This Section is responsible for the acquisition of all commodities and services which are to be used in the normal operation of the University. Purchasing action commences with the receipt of an authorized requisition form and normally ends when final payment is made to the vendor.

B. Administrative Support and Data Processing Section - This Section provides the administrative support and data processing functions required to support the needs of the Department.

C. Central Receiving - This Section performs the receipt, inspection, delivery and return of goods that are order via the purchase order method. . These functions will be performed for all departments and offices on campus with the exception of the purchases delegated to the Library, items for resale by the Bookstore, food services, and the mail center.

**3.0 GENERAL MONETARY LEVELS AND LIMITS**

A. \$12,500 – Single Quote Level. Two or more competitive quotes are required in writing;

B. \$25,000 - Formal two-party contracts may be required for subcontracts in excess of \$24,999. This threshold applies to grant funding only;

C. \$50,000 - Formal competitive bids, (ITB/RFP/ITN) are required on purchases of commodities, contractual services, deferred payment and revenue generating contracts in excess of \$49,999. A formal two-party contract may be required for contract services. Contracts providing for the payment of interest may be financed through the Consolidated Equipment Financing Program (CEFP) administered by the Office of the State Comptroller. For the purposes of determining the bidding threshold the total cost of the requirement may include any options, add or deduct alternates, and trade-ins, for the life of the contract.

#### 4.0 EXEMPTIONS FROM COMPETITIVE SEALED BID REQUIREMENTS

The following commodities and services are exempt from competition (6C5.6008 (3) (c)):

- A. Artistic services;
- B. Academic reviews;
- C. Lectures;
- D. Auditing services;
- E. Legal services, including attorney, paralegal, expert witness, appraisal, arbitrator or mediator services. Written approval from the Attorney General is not required for private attorney services acquired by the University, pursuant to s. 287.059, F.S.
- F. Health services involving examination, diagnosis, treatment, prevention, medical consultation or administration. Prescriptive assistive devices for medical, developmental or vocational rehabilitation including, but not limited to prosthetics, orthotics, and wheelchairs, provided the devices are purchased on the basis of an established fee schedule or by a method that ensures the best price, taking into consideration the needs of the client;
- G. Services provided to persons with mental or physical disabilities by not-for-profit corporations organized under the provisions of s. 501(c)(3) of the Internal Revenue Code or services governed by the provisions of the Office of Management and Budget Circular A-122;
- H. Medicaid services delivered to an eligible Medicaid recipient by a health care provider who has not previously applied for and received a Medicaid provider number from the Department of Children and Family Services. This exception will be valid for a period not to exceed 90 days after the date of delivery to the Medicaid recipient and shall not be renewed;
- I. Family placement services;
- J. Training and education services;
- K. Advertising;
- L. Services or commodities provided by the Federal Government, the State, other states, political subdivisions or entities, colleges, and universities;
- M. Continuing education events or programs that are offered to the general public for which fees have been collected to pay all expenses associated with the event or program;
- N. Purchases from firms or individuals that are prescribed by state or federal law or specified by a granting agency;
- O. Regulated utilities and government-franchised services;
- P. Regulated public communications, except long distance telecommunication services or facilities;
- Q. Extension of an existing contract;
- R. Renewal of an existing contract if the terms of the contract specify renewal option(s);
- S. Purchases from the Annual Certification List developed by the University;

- T. Purchases for resale;
- U. Accountant Services;
- V. Contracts or services provided by not-for-profit, direct support, health support and University affiliated organizations;
- W. Implementation, programming, or training services available from the owner of copyrighted software or its agent; and
- X. Purchases of materials, supplies, equipment, or services for research purposes when the Director of Sponsored Research or designee, certifies that, in a particular instance, it is necessary for the efficient or expeditious prosecution of a research project.

**5.0 PURCHASING ACTIONS NOT SUBJECT TO COMPETITION** - 6C5.6008(3), Florida Administrative Code, states that purchases of commodities in excess of \$49,999 must be made on the basis of competitive solicitations with certain exceptions. Those exceptions and procedures to be followed for acquisition are described in this section and are called exceptional purchases; Single Source, Emergency, Sponsored Research Exemption, and the Construction Direct Purchase Program.

### **5.1 SOLE SOURCE PURCHASE**

A. Definition: A purchase of commodities or services that is non-competitive

B. Commodities or contractual services purchased available only from a single source, may be exempted from the bid requirements when the University certifies and documents that there is only one source of supply capable of meeting all specifications, terms and conditions to the University's satisfaction. A completed Sole Source Certification form documents the purchase.

1. Sole Source purchases up to \$100,000 are approved by the Director of Purchasing.
2. Sole Source purchases exceeding \$100,000 are approved by the Director of Purchasing and the President or his/her designee.
3. The Purchasing Department posts sole source purchase certifications.

C. Annual Certification of Purchases

The Purchasing Director has authority to approve annual certifications for non-competitive products. These are commodities and services purchased on a regular or continuing basis that have proven to be non-competitive and available from a single source.

### **5.2 EMERGENCY PURCHASE**

A. When the President or designee determines, in writing, that the delay due to the competitive solicitation process would cause an immediate danger to the public health, safety or the welfare of person(s), animal(s), the preservation or protection of property, or the continuance of a vital University function, the Purchasing Department is permitted to proceed with the procurement of commodities or contractual services without a competitive solicitation. The emergency purchase shall be limited to the purchase of the type of items and quantities needed, or for a time period sufficient to meet the immediate threat, and shall not be used to meet long-term requirements.

B. Responsibility of the Purchasing Department - The Purchasing Department prepares the certification for the signature of the President. The using department must submit a complete justification for handling the purchase in this manner. An Emergency Acquisition is not an

excuse for poor planning. All emergencies must meet the criteria established above.

### **5.3 SPONSORED RESEARCH EXEMPTION**

#### **A. General**

Purchases for Sponsored Research Projects are handled in accordance with 1004.22, Florida Statutes. All purchases of the Division of Sponsored Research shall be made in accordance with the policies and procedures of the University. Whenever the Director of Sponsored Research certifies to the President that, in a particular instance, it is necessary for the efficient or expeditious prosecution of a research project, the purchase of material, supplies, equipment, or services for research purposes shall be exempt from the general purchasing requirement of the Florida Statutes.

#### **B. Procedure**

1. The Director of the Division of Sponsored Research initiates a "Sponsored Research Purchase Exemption" (PUR-21) for the item(s) to be acquired and forwards the completed form to Purchasing, attached to a General Requisition.
2. The Purchasing Department reviews the form for sufficiency of description, purpose, and justification and initiates the Purchase Order.
3. The original copy of the form is placed in the file of the Purchase Order as supporting documentation.

## **6.0 THE PURCHASING CYCLE**

### **A. General**

The requisition form is the most important document in the purchasing cycle. It is used to request purchases of all commodities/services through the Purchasing Department. It provides the fund and organization number to be charged, account authorization, item descriptions, quantity, delivery instructions, and desired delivery date. Complete and correct preparation of the requisition form expedites the purchasing process. Except in the case of an approved emergency, the requisition form must be received by the Purchasing Department before purchasing action can be initiated.

### **B. FAU Purchase Requisition-General Instructions**

1. The purchase of needed equipment, materials, or services from off-campus sources shall be initiated on an FAU PURCHASE REQUISITION.
2. Each requisition should contain only those items that may be purchased from the same general category or vendor. For example, chairs, tables and desks should be combined on one requisition, but a typewriter and laboratory equipment should not be on one requisition.
3. When preparing a requisition state the noun first followed by descriptive information, including manufacturer and part number, if known.

## **6.1 PRICE DETERMINATION**

### **A. Definitions**

1. Competitive Bid/Proposal - The response submitted to an Invitation to Bid, Request for Proposal, or an Invitation to Negotiate by responsive and qualified bidders or offerors;
2. Invitation to Bid - A written solicitation for competitive sealed bids, designating the title, date, and hour of the public bid opening and also defining the commodity, group of commodities or services;
3. Request for Proposal - A written solicitation for competitive proposals for commodities or contractual services designating the title, date, and hour of the public opening. The request for proposal is generally used when the scope of work is not clearly defined;
4. Invitation to Negotiate - An invitation extended to prospective contractors, whether by advertisement, written solicitation, electronic media or any other form of communication, to define the specifications, terms and conditions of a contract for commodities or contractual

services;

5. Identical (Tie) Bids - two or more bids which are equal in all respects as to price, quality, service, terms and conditions;
6. Quotation - A written or verbal offer for commodities or services not requiring a public opening at a specific date and time;
7. Valid Response - a responsible offer in compliance with the bid specifications and conditions.

## B. General

1. For requisitioning purposes, departments may obtain rough cost estimates from catalogs, prior orders or vendors. A copy from a catalog or brochure will assist the Purchasing Agent in obtaining the correct item. When securing vendors' estimates, the requisitioner should be careful to avoid the impression that he or she is asking for an official bid or placing an order.
2. Upon receipt of a requisition, the Purchasing Department will determine the method to be used to obtain the actual purchase price. Consideration will be given to combining requisitions in order to insure minimum cost.

## C. Bids/Proposals/Quotes

1. The Purchasing Department shall determine when a bid/proposal/quote is obtained for commodities, services, printing and deferred contracts for any item or group of items, except as provided in Section 5.0. The formal bid/proposal threshold is \$50,000, as of July 1, 2003. For purchases between \$12,500 and \$49,999, informal quotes may be solicited when the commodity or service warrants competitive pricing.
2. The Purchasing Department may advertise any formal invitation to bid or request for proposal in a newspaper of general circulation when such public notice is deemed to be in the best interest of the University and consistent with the proposed purchase involved. Invitations to Bid, Requests for Proposal, and Invitations to Negotiate expected to be in excess of \$150,000 shall be advertised in the Florida Administrative Weekly, the Florida Communities Network (MyFlorida.com), or on the Purchasing Department's web site. All bids shall be advertised and available to the general public for 30 days unless the Director of Purchasing determines that the compelling interests of the University require a reduced or extended bid time, or the use of alternative advertisement methods.
3. When only one quote/bid-proposal is received for the purchase of an item or a group of items in a call for quotes/bids/proposals, the Purchasing Officer shall review the

quote/bid/proposal to determine the reasons, if any, why only one quote/bid/proposal was received. If it is determined that a second call for quotes/bids/proposals would not be in the best interest of the University, the circumstances shall be documented and the Purchasing Agent may proceed with the purchase. If it is determined that a second call for quotes/bid/proposals would be in the best interest of the University, the Purchasing Agent may issue additional quote/bid/proposal solicitations. The Purchasing Agent shall document a single quote/bid/proposal on the requisition for purchases' between \$12,500 and \$49,999. A single formal bid/proposal \$50,000 or more will be documented with form PUR 23, Receipt of One Bid Certification.

4. In the event no quotes/bid/proposals are received, the Purchasing Agent shall negotiate the purchase at the most favorable terms.

5. In accordance with Florida Law, no purchase shall be divided or subdivided in order to circumvent the quote/bid/proposal requirements.

6. All formal solicitations issued by the University shall include the standard "Florida Atlantic University Invitation to Bid "Acknowledgement" form.

7. The Purchasing Department, at its sole discretion, shall determine whether a response meets or exceeds specifications.

8. The University shall reserve the right to reject any and all bids or proposals and such reservation shall be indicated in all advertising.

**6.2 THE PURCHASE ORDER** - The purchase order, initiates a contract by accepting legally the offer made by the vendor.

### **6.3 CHANGE ORDER**

A. A change order can be issued to modify quantities, encumbrances, terms and conditions, or to terminate the purchase order.

B. Departments may initiate requests for change orders in writing. An authorized signature is required for all change order requests.

**6.4 Limited Purchase Order (LPO)** - This system allows the departments to issue and receive materials up to \$999.00 without submitting an FAU Purchase Requisition through Purchasing. The LPOs are obtained by requesting the number of LPOs and the dollar amount for each LPO on memorandum LPO 1/95. An authorized signature is required for all LPO requests. The LPO numbers are assigned and the document is issued to the requestor. The department will complete the information required. The department is responsible for submitting the relevant documents to the Controller's office, receiving the material at their

location, and arranging for returns, if necessary.

**6.5 PAYMENT AUTHORIZATION** -There are six (6) ways purchase orders can be coded to authorize payment:

A. Building Number and Room Number, example 10-207, tells the Controller's office that the delivery is scheduled through Central Receiving and they must have a signed receiving report before payment can be processed.

B. SIGNINV (The Controller's office can process payment when the invoice has been approved by the using department.)

C. INVOICE (The Controller's office can process payment when they receive the invoice.)

D. COMPFM (The Controller's office must have signed completion forms in addition to an invoice before payment can be processed.)

E. F & A (For Internal Office Use Only)

F. DONATED (Used to add donated items to the University's property record.)

## **6.6 CENTRAL RECEIVING**

Central Receiving is a section within the Purchasing Department. Commodities purchased on purchase orders for the Boca Raton campus are received and disbursed through Central Receiving, with the exception of confidential testing, some hazardous materials, office supplies, large shipments of furniture, subscriptions, magazines, and other items shipped directly to the department. Equipment and supplies for the branch campuses are shipped directly to the campuses. Material and equipment received through Central Receiving must be acknowledged with a Receiving Report or a Non-Standard Receiving Report, aka "short form."

A. RECEIVING REPORT - (RR) The majority of purchase orders for equipment and supplies have this companion receiving document. The RRs are retained in Central Receiving, or at the branch campus indicated on the RR, until the equipment or material is received. The RR is checked against the actual delivery. The RR is signed, in the lower left corner, by the person accepting delivery. The department receiving the equipment or material signs in the lower right corner. The actual quantity received must be written in for each line item, and entered in the Banner system. When partial shipments come in additional receiving reports are printed indicating the quantity received and the quantity outstanding. These continue until the order is complete and finalized in the Banner system.

B. NON-STANDARD RECEIVING REPORT - These are used when material comes in and, for some reason, a receiving report for that order is not on file. The vendor name, purchase

order number, delivery location and the items, including quantity, are listed on the form. It also requires two signatures, the person accepting delivery and the department personnel receiving the material. These are also used for blanket orders but the items are not itemized.

**C. DIRECT SHIPMENT TO DEPARTMENT** - When equipment or material is unique, heavy, to be installed, or bulky, the Purchasing Agent can make arrangements for delivery directly to the department. If the purchase order was coded for delivery through Central Receiving it is up to the using department to notify Central Receiving that the equipment or material has been received. This can be identified by the presence of a building and room number in the JOB NO. field of the purchase order. Central Receiving will fax a copy of the receiving report to the department for signature. The vendor will not be paid until the Receiving Report has been completed. If the purchase order is coded SIGNINV or COMPFRM the department is responsible for approving the invoice, signifying that the shipment has been received satisfactorily.

**D. MATERIAL PICK-UP BY FAU PERSONNEL** - If materials have been picked up by FAU authorized personnel, (or at times a local company will make a direct delivery to the department without going through Central Receiving) and the purchase order is coded for BLDG & ROOM NO., it is up to the department to contact Central Receiving. The vendor will not be paid until the Receiving Report has been processed. Also, if the vendor gave the person the invoice along with the merchandise, the invoice must be forwarded to the University Controller's Office. Contact Central Receiving and they will follow the procedure as in 6.6 C above.

## **6.7 FREIGHT TICKETS, PACKING LISTS, WAYBILLS, BILLS OF LADING**

The original copy of freight tickets, waybills, bills of lading are attached to the original copy of the Receiving Report for items sent to Central Receiving.

- A. Original invoices, if received with the shipment, are forwarded to the Controller's office.
- B. When items are shipped directly to, or picked up by, the department, the department shall forward all documents received with the shipment to the FAU Controller with the invoice.

**6.8 REPORT OF UNSATISFACTORY SHIPMENT** - Damage to shipments must be recorded and processed in accordance with regulations applying to common carriers. Visible damage shall be noted on the freight company's receipt at the time of delivery. Concealed damage must be officially reported to the freight company within fifteen calendar days after the company delivers the items to the University. Failure to report damages in this time frame will result in the University's loss of right to file a claim and collect for damages. Central Receiving will follow up with the company in accordance with the shippers damage reporting procedures.

**6.9 RECEIPT OF UNSOLICITED GOODS** - Florida Statutes 570.545 states that when unsolicited goods are delivered, the person is not obligated to return the goods to the sender. The law also states that unsolicited goods shall be deemed a gift and recipient may use or dispose of them in any manner without obligation to the sender.

**6.10 RIGHT OF REFUSAL** – At the discretion of the Receiving Manager items may be refused for any of the following reasons: no purchase order, damage visibly perceived, unsolicited goods, direct deliveries to departments, and items designated by the FAU Police Dept, Environmental Health and Safety, and the Division of Research.

**7.0 ACQUISITION OF PRINTING** - Chapter 283, Florida Statutes imposes limitations on the purchase of printing or duplicating from off-campus vendors. The following instructions apply to the purchase of printing:

A. Definitions

1. Printing - The transfer of an image or images by the use of ink or similar substance from an original image to the final substrate through the process of letterpress, offset lithography, gravure, screen printing, or engraving. Printing shall include the process of and the materials used in binding. Printing shall also include duplicating when used to produce publications.

2. "Duplicating" - The process of reproducing an image or images from an original to a final substrate through the electro photographic, xerographic, laser, or offset process or any combination of these processes, by which an operator can make more than one copy without rehandling the original.

B. The University shall purchase, when economical, recycled paper if and when recycled paper can be obtained that is of adequate quality for the intended purposes.

C. Preference Given Printing Manufactured in Florida - Preference shall be given to bidders located within the state when awarding contracts to have materials printed, whenever such printing can be done at no greater expense than, and at a level of quality comparable to, that obtainable from a bidder located outside of the state.

D. Items to Be Included in Bids - All bid invitations issued by the University for printing shall provide in the bid conditions that all cost for delivery, storage, freight, and packing are to be prepaid by the vendor, F.O.B. the address or addresses listed on the bid invitation unless otherwise specified.

E. Agreements with Vendors for Private Publication of Public Information Materials:

(1) The University may enter into agreements to secure the private publication of public information brochures, pamphlets, audiotapes, videotapes, and related materials for distribution without charge to the public. The University may:

(a) Enter into agreements with private vendors for the publication or production of such public information materials, by which the costs of publication or production will be borne in whole or in part by the vendor or the vendor agrees to provide additional compensation in return for the right of the vendor to select, sell, and place advertising that publicizes products or services related to and harmonious with the subject matter of the publication.

(b) Retain the right, by agreement, to approve all elements of any advertising

placed in such public information materials, including the form and content thereof.

(2) Any public information materials containing advertising of any kind must include a statement providing that the inclusion of advertising in such material does not constitute an endorsement by the University of the products or services so advertised.

F. Information to Be Supplied with Requisition:

1. Printing requirements should be planned well in advance to permit purchase in compliance with the procedures described above.
2. Adequate information should appear on the Requisition form to insure that the required printing is obtained. The following list of terms may be of assistance in describing the printing desired: type style, type size, color of ink, size of paper, color of paper, weight of paper, number of pages, printing on one or both sides, printing on inside of cover, stapled, stitches, perforated, scored, folded, numbered, padded, packaged.
3. The requisition should also include the following information: date final copy will be available; date for receipt of proof, if required; date final delivery is required; point of delivery; person to be contacted in requisitioning department if additional information is required; and any other pertinent information.
4. If samples of similar printing jobs are available, copies should be forwarded with the requisition. Should samples not be available, one copy of the document to be printed should be forwarded, if available.

**7.1 UNIVERSITY PUBLICATIONS POLICY** - Acquisition of publications, and printing or duplication services by University Departments and /or individuals shall be pursuant to the provisions set forth in Presidential Memoranda #3 and #3A. In brief, the policy states that the Purchasing Department will not contract for printing services for any publications, except upon request of the University Publications Office. The Purchasing Department is responsible for the calling of formal bids and the awarding of contracts.

## **8.0 INFORMATION TECHNOLOGY RESOURCES**

### **A. Definition**

1. "Information technology resources" means data processing hardware, software, services, supplies, personnel, facility resources, maintenance, and training.

### **B. Statutes (F.S. 282)**

State University System Information Resource Plan  
Information Resource Managers  
Information Resource Management Operating Plan  
Annual Performance Reports  
Budget Schedule

### **C. General Information and Guidelines**

Florida Statutes require that information technology resources may only be acquired if approved by the agency Information Resource Manager as part of the agency Information Resource Operating Plan or any supplement thereto. The University's Information Resource Manager (IRM) is responsible for determining the level of approval required for each item. The IRM has the authority to approve any acquisition up to \$1,000,000 and secures all necessary approvals from external agencies, if required.

**8.1 COMMUNICATION EQUIPMENT** - Communications Technology Resources are subject to the same rules and regulations as Information Resource Technology. Therefore they are also subject to the procedures listed above. In addition the following guidelines also apply.

A. All purchases of communication equipment, telephone systems, and modems require approval of the FAU Telecommunication Services Department.

B. Rule 60C-2009 delegates authority to the State University System to acquire, lease, and use broadcast communications equipment, facilities, and services by FCC licensed broadcast stations.

### **C. Acquisition**

1. Requesting Department Responsibilities -- The requesting department submits a FAU Purchase Requisition (PUR 22) to the Purchasing Department complete with State Contract and commodity numbers, if known, or complete specifications.

a. Explain the reason for requesting the equipment and its proposed use. This information may be on the requisition, or attached;

- b. If the equipment is on State Contract, enter the commodity and contract number on the requisition form;
- c. If the equipment is not on State Contract, a complete detailed specification and justification for contract exception must accompany the requisition form;
- d. If the cost of the equipment is expected to exceed \$49,999 and is available from a single source, a Sole Source Certification must be submitted with the requisition form in accordance with the procedure in Section 5.1.

2. Purchasing Department Responsibilities;

- a. Forwards requisition to the FAU Telecommunications Services Department for approval.
- b. For equipment exceeding \$49,999 and not on State Contract, a proposed Invitation to Bid, with bid specifications is issued.
- c. The bid evaluation is coordinated with the using department, Purchasing, and Telecommunications personnel.

## **9.0 LEASES AND INSTALLMENT-SALES ACQUISITIONS OF EQUIPMENT**

A. Leases, including month-to-month leases and all other leases of equipment regardless of the period of time, are subject to the review and approval of the Purchasing Department.

B. Interest on deferred payment commodity contracts is defined as a commodity and is subject to the bid requirements if the interest exceeds \$49,999.

C. Requesting Department's Responsibilities - The requesting department shall be responsible for submitting a requisition for the lease or installment purchase of equipment to the Purchasing Department with the following information:

1. Equipment specifications,
2. Lease versus purchase cost analysis,
3. A statement from the Dean, or appropriate Vice President guaranteeing that funds will be provided during the entire term of the lease.

D. Purchasing Department Responsibilities

1. Leases - The lease of equipment is subject to the Purchasing and bid procedures contained herein. All leases shall contain a cancellation clause, and an availability of funds clause. Leases may contain renewal options, if appropriate.

2. Installment-Sales Agreements - The Purchasing Department may submit requests for installment-sales agreements to be financed under the Consolidated Equipment Financing Program (CEFP) to the Department of Management Services. Upon receipt of approval by the CEFP, the Purchasing Department will notify the vendor furnishing the equipment, that financing has been arranged.

## 10.0 TERM CONTRACTS

A. Term contracts are indefinite quantity contracts whereby a contractor agrees to furnish an item(s) or services at a specified price, during a prescribed period of time (such as three, six, nine, or twelve months, or a specified date). The specified period of time or date completes such contracts.

### B. Multi-Term Contracts

1. Specified Period - A contract for supplies or services may be entered into for any period of time deemed to be in the best interest of the University provided the terms of the contract and conditions of renewal or extension, if any, are included in the solicitations and funds are available for the first fiscal period at the time of contracting. The performance of the University of any of its obligations under a multi-term contract shall be subject to and contingent upon the availability of funds appropriated by the Legislature of the State of Florida, the obligation of funds by the prime funding agency, or otherwise lawfully expendable for the purposes of the agreement for the current and future periods.

2. Determination Prior to Use - Prior to the use of a multi-term bid/proposal, it shall be determined that:

a. Estimated requirements cover the effective period of the bid/proposal and are reasonably firm and continuing; and,

b. Such bid/proposal will serve the best interest of the University by encouraging effective competition or otherwise promoting economies in University purchasing.

3. Cancellation Due to Unavailability of Funds in Succeeding Fiscal Periods - When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the order shall be paid only for supplies or services already received under the contract.

C. University Term Contracts - Departments will be contacted if purchases of a recurring nature indicate that a term contract would be advantageous. Information as to specifications and estimated annual usage shall be supplied by the using department. Blanket Purchase Agreements may be used to consummate purchases against these contracts. Departments may request assistance of the Purchasing Department in establishing term contracts.

D. State of Florida Term Contracts - The University may acquire any commodity which is available on any term contract or price agreement executed by the State Department of Management Services when such purchase is most advantageous to the University, with price, quality, performance and other factors considered. Any such purchases by the University are exempt from competitive bid requirements.

E. PRIDE - Any article, except printing, furnished by PRIDE, a private not-for-profit corporation established pursuant to Florida Statutes 946.515, shall be purchased by the University from this corporation, when price and quality are determined to be comparable to articles required by the University.

F. Cooperative Purchase Contracts - The Purchasing Department may evaluate and approve for use contracts let by the Federal Government, the State, other states, political subdivisions or entities, colleges, universities, educational cooperatives or educational consortia for the procurement of commodities and contractual services, when it is determined to be cost-effective and in the best interest of the University to make purchases under contracts let by such other entities.

**11.0 SPECIAL PROCEDURES** - This section contains Special Procedures of the Purchasing Department.

**11.1 BLANKET PURCHASE AGREEMENT:**

A. General -- A Blanket Purchase Agreement (BPA) is a simplified method of filling urgent needs for small quantities of supplies or services by establishing open accounts with qualified suppliers. BPA's are designed to expedite the acquisition of urgently, and/or frequently, needed supplies or services and to reduce administrative costs in accomplishing small purchases by eliminating the need for issuing individual purchase orders.

B. Limitation on Use - A Blanket Purchase Agreement may not be used when:

1. The aggregate monetary value will exceed \$49,999 for any one type of item or service in any twelve-month period (unless a bid is referenced).
2. Purchases are for capital (property > \$999.00) items; or
3. Purchases are of a personal nature; or
4. The term is for longer than one calendar year (unless a bid is referenced); or
5. The term will cross fiscal years utilizing annually appropriated funds; or
6. Purchases are for commodities covered by the State of Florida, Department of Management Services Contracts, University Contracts, and SUS Contract or other exempted category.

C. Establishing a Blanket Purchase Agreement - Requisitions are prepared by the using departments and forwarded to the Purchasing Department. One requisition is required each fiscal year for each account and each vendor. Requisitions using grant funds which do not expire on June 30, should show the expiration date of the grant. Each requisition submitted to establish a BPA must contain the following information:

1. All header information on the requisition form, e.g., department, Banner organization, fund and index number;
2. Description of supplies or services to be furnished by the vendor, limited to specific items or commodity groups or to all items that the supplier is in a position to furnish (see limitation on use above);
3. Suggested beginning and ending dates;

4. Dollar amount to be encumbered for anticipated expenditures sufficient to defray total anticipated charges;
5. List of names of individuals authorized to make purchases on the agreement;
6. List of names authorized to approve invoices on the agreement;
7. Delivery and pick-up terms;
8. Superseded purchase order number, if applicable.

D. Blanket Purchase Agreement Pricing and Other Conditions - The Purchasing Department will negotiate an agreement on prices, discounts, minimum purchases, and delivery with the supplier before the BPA is issued.

E. Orders Against Blanket Purchase Agreements - Orders against BPA's may be made verbally by an individual authorized to place orders against the agreement. When placing an order, the individual should identify himself/herself and give the applicable BPA purchase order number.

F. Delivery of Goods or Services - Invoices for items charged against blanket orders must be approved by an authorized signature as listed on the BPA. If material is delivered through Central Receiving a Non-Standard Receiving Report it will be used to document the receipt and delivery of material to the department.

G. Invoices in Conflict with Conditions of the Blanket Order - The University Controller's Office verifies that invoiced items agree with the conditions of the blanket order. Any invoices in conflict will be returned to the using department. The using department must submit written justification to the Controller. The Controller's Office will submit information to the Purchasing Agent.

H. Funds Increase/Decrease - The encumbrance of a BPA may be increased or decreased by the using department by submitting a request for a change order to the Purchasing Department. (See Section 6.3 above)

I. Termination of Agreement - The agreement may be terminated by the using department by submitting a request for a change order to the Purchasing Department. The order may be unilaterally terminated by the Purchasing Department for misuse or failure to follow the procedures set forth herein.

J. Superseded Requisition - If a requisition supersedes a previous BPA (usually from one fiscal year to next) list the superseded number. The Purchasing department will use the new requisition as authority to close out the superseded number after July 1. Exception is for BPAs

that have a specific payment schedule.

**11.2 BLANKET MAINTENANCE OR SERVICE AGREEMENT** - Requisitions for maintenance or service agreements on office machines or laboratory equipment must include the following information:

- A. A statement that the equipment is not under warranty for parts or labor;
- B. Location of machine and name of contact person;
- C. Name brand, model number, serial number, and decal number of equipment;
- D. Beginning and ending dates of maintenance period;
- E. List of names authorized to approve invoices; and
- F. Two copies of proposed maintenance agreement, if available. Please note that the using department is not authorized to sign and approve vendor maintenance agreements. All agreements should be submitted with the requisition for signature and approval by the Purchasing Department.

**11.3 WALK-THRU ORDERS** – Should a department have an immediate need to call in an order or pick up items a requisition may be walked to Purchasing provided the requisition amount is less than \$1000. The requisition will be checked for vendor name and address, account number, and authorized signature. The available balance will be checked. If approved by a Purchasing Officer, a purchase order number will be assigned. Purchasing will give the purchase order number to the person to call into the vendor or pick up the material. Purchasing will process the order, coding it CONFIRMATION and SIGNINV. The invoice must be approved for payment by an authorized person for the account. It is the department's responsibility to take the invoice to the Controller's office for pick up orders. Any follow up for delivery is the department's responsibility.

Printed copies of Purchase Orders will not be sent to the Vendor. Walk-thru order requests will not be processed for After-The-Fact purchases.

#### **11.4 CONTRACTUAL AGREEMENTS**

A. Contractual services are defined as the rendering of a contractor of its time and effort rather than furnishing specific commodities. This definition applies to individuals who are not performing the duties of an authorized position. OPS employment is not considered a contractual service. The written agreement for contractual services shall be signed by all parties prior to the rendering of any service. For the purposes of this section, Construction is not considered a service.

B. Requirement for Agreements - Every procurement of contractual services in excess of \$49,999 shall be evidenced by a written agreement embodying all provisions and conditions of the procurement of such services. The terms and conditions of an agreement should be stated clearly and unambiguously in order that any person would have no difficulty in determining that the precise duties and obligations undertaken by the University are not in violation of any of the laws of the state relative to the expenditure of funds.

At the discretion of the Purchasing Department, a contractual agreement may be required for supply items, particularly when the acquisition involves: a term contract, the furnishing of supplies with significant service and installation costs, the production of items from design or performance specifications, research and development equipment, high-value/unique/non-standard supplies and equipment, long lead time production items, or agreements involving partial payment schedules or definitive project phases.

Agreements may be necessary in procurements less than \$50,000 when:

1. The requirement for an agreement is prescribed by a commanding authority, such as grant subcontracts.
2. Procurements where an agreement is necessary to protect the University's best interests.
3. Complex service contracts to establish the payment method, payment schedule, contract deliverables, or performance standards.
4. Required by the contractor.

C. The University's standards and procedures for establishing an Agreement for Service is contained in the Purchasing Department's Contracts Manual.

D. Only university personnel specifically delegated the authority, in writing, by the President are authorized to sign agreements and financially commit the University within the limits of their delegation. (See 1.3 and 1.4) No department or individual, unless specifically delegated so, may sign any agreement or represent in any manner whatsoever to an individual or business that they possess the authority to bind the University. All agreements must be signed by the person with the delegated authority. All agreements are subject to legal review and approval prior to signature, except for those specific agreements, conditions, and circumstances assigned to the Purchasing Department.

**11.5 ORGANIZATIONAL MEMBERSHIPS** - Florida Statutes 119.012 provides that public funds shall not be used for dues to any association, group or organization the records of which are not open for inspection to any citizen of Florida. Requests for payment of organizational dues must be accompanied by a certification signed by an authorized representative of the organization stating that their records are open for inspection by any citizen of the State of Florida. It shall be the responsibility of the Purchasing Department to obtain the required statement before processing an organizational membership. A "benefit to the state" shall be

included on each requisition for membership.

**11.6 LEASES FOR REAL PROPERTY** – Leases of real property, office space, and storage units require advanced review and approval from the Office of Space Utilization and Analysis (OSUA) in accordance with the policies and procedures established by OSUA and the Division of the University Architect Office. Approval of a special executive lease committee may be required prior to approval of any proposed lease action. The following general guidelines apply:

- A. Leases of space less than 5,000 sqft do not require a formal bid.
- B. Leases for space less than 500 sqft and for a term less than one year are considered rentals and do not require OSUA approval.
- C. Leases in FAU's affiliate Research and Development Parks must be certified and approved by the Board of Trustees as serving the best interests of the University and that exemption from the competitive bid process would not be detrimental to the institution.

Florida Atlantic University utilizes the following procedures when executing leases for real property:

- A. Definitions.
  - 1. Lease - The contract instrument or agreement required to lease a building or any part thereof.
  - 2. Privately Owned - Any building not owned by a governmental agency.
  - 3. Nominal Consideration - Consideration of \$10.00 or less for the term of the lease.
  - 4. State-Owned Building - Any facility owned by the state regardless of use or control.
- B. Lease Certifications, Approvals, and Execution.
  - 1. Before initiating the search for, or prior to the leasing of space, buildings or any portions thereof, for other than nominal or no consideration, approval must be first obtained by the requesting department from the Office of Space Utilization and Analysis (OSUA).
  - 2. Lease terms and conditions other than the University's Standard Lease Form shall be reviewed as to form and legality by the University Attorney. The University President, the Director of Purchasing, or designee, shall execute all leases.
  - 3. Nothing in these procedures shall be interpreted as circumventing the provisions of Section 255.21, Florida Statutes, as it relates to facilities for the handicapped.
  - 4. Fire Code Compliance in Leased Space.
    - a. Any private sector building to be leased by the University shall comply with the fire safety standards of the State Fire Marshal and all applicable code authorities.
    - b. Before construction or renovation of any leased building is commenced, the University shall ascertain that the proposed construction or renovation plan complies with the fire safety standards of the State Fire Marshal and all

applicable code authorities. The renovation plan must be submitted and approved by the State Fire Marshal prior to occupancy.

- c. Whenever the University determines that a construction or renovation plan is not in compliance with such fire safety standards and building codes, the University may issue an order to cease all construction or renovation activities until compliance is obtained, except those activities required for achieving such compliance.
- d. The cost of modifications or renovations made for the purpose of bringing lease property into compliance with fire safety standards shall normally be borne by the lessor.

C. Leases of 5,000 Square Feet or More.

- 1. The University shall not enter into a lease for 5,000 square feet or more of space in a privately-owned building except upon advertisement for and receipt of competitive bids/proposals. The University shall not enter into, within any 12-month period, more than one lease for space of a total of 5,000 square feet or more in the same privately-owned facility or complex except upon the solicitation of competitive bids/proposals.
- 2. Competitive bidding shall not be required for leases of space of 5,000 or more square feet in a privately owned building where such leases:
  - a. are renewals of existing leases,
  - b. have a term of less than 21 consecutive days,
  - c. are for nominal or no consideration,
  - d. are for the purpose of providing care and living space for persons,
  - e. are extensions of an existing lease of 5,000 square feet or more, provided that such extensions are in the best interest of the University and are not for a period exceeding 11 months. If at the end of the period granted by the extension(s), the time of such extension(s) equal(s) 11 months, the University shall solicit competitive bids,
  - f. are specialized educational facilities (excluding classrooms), or
  - g. are otherwise exempt from the competitive bid requirements.
- 3. The University shall establish a rate it will pay for leased space based on average rental rates in the local area for facilities of use. The DMS rental rate guidelines may be used in evaluating lease decisions.
- 4. Invitation for Bid/Request for Proposals/Invitation to Negotiate.
  - a. A public invitation for bids/proposals will be publicized using the appropriate contact with owners, developers or realtors in the city or area in which space is desired.
  - b. Invitation/Proposal shall set forth, but not be limited to the following:
    - 1. Approximate net square footage required,
    - 2. General area in which space must be located,
    - 3. Date space must be available, and
    - 4. Name and address of person where specifications may be obtained.
    - 5. Specifications.

- a. Specifications shall be drawn by the University in general terms. They shall afford each prospective lessor, interested in submitting a proposal, knowledge of the University's space requirements.
- b. Specifications provided to prospective lessors should be set forth, but not be limited to, the following:
  1. Approximate net square footage required.
  2. An approximate floor plan of space needed showing partitioning and other physical requirements,
  3. General location of required space,
  4. Date space must be available,
  5. Term of lease with option to renew, if requested,
  6. Services required such as parking, dining and transportation requirements.
- c. Specifications shall also set forth that the prospective lessor will agree to:
  1. Enter into a contract on the specified lease agreement form,
  2. Provide a scaled floor plan showing present configurations and measurements that equate to net rentable square footage offered,
  3. Comply with the requirement and Design Standards for Special Facilities for the Physically Disabled and all ADA rules,
  4. Be an Equal Opportunity Employer,
  5. Provide Full Disclosure Statements of Ownership,
  6. Validate the proposal for a minimum of forty-five (45) or more days following the public bid opening date,
  7. Provide a Life Cycle Analysis with proposal if space is for 20,000 or more square feet in any one structure with the understanding that the analysis shall be acceptable before an award can be made,
  8. Comply with the fire safety standards of the State Fire Marshal and all applicable building codes,
  9. Ensure that any renovations required will comply with fire safety standards of the State Fire Marshal and applicable building codes before renovations are commenced (, and
  10. Propose a rental rate per square foot per year that will include all renovations and other special requirements necessary to accommodate the program at the time of initial occupancy.
- d. Specifications shall provide that sealed proposals are to be submitted, in a titled envelope, to a designated individual by a specified closing time and date, at which time all bids/proposals will be publicly opened.

**D. Evaluation.**

1. The University alone shall reserve the right to accept or reject any or all bids submitted and if necessary reinitiate procedures for soliciting competitive proposals.
2. The University in preparing specifications shall develop weighted evaluation criteria. The criteria items most significant to the University's needs should bear the highest weight.

3. Documentation to support the selection shall be maintained and shall include but not be limited to the following:
  - a. A copy of all advertisements,
  - b. A copy of the proposal specifications,
  - c. A copy of all bids/proposals received,
  - d. A synopsis of the University's findings for each proposal,
  - e. Selection shall be publicly announced by the University,
  - f. Lease preparation and approval - After the selection has been announced, a lease agreement shall be drafted by the University and executed, and
  - g. Disclosure Statements - Private Entities, Public Officials.
    1. A statement by the owner providing for full disclosure of the names and the extent of interest of the owners holding 4% or more interest in any privately owned property leased to the state or in the entity holding title to the property, shall be secured for all new leases, renewal leases, modifications to approved leases and the notification of renewal under an existing lease option.
    2. A statement by the owner providing for full disclosure of the names of all public officials, agents, or employees holding any interest in any privately owned property leased to the state, or in the entity holding title to the property, and the nature and extent of their interest, shall be secured for all new leases, renewal leases, modifications to approved leases, and notifications of renewal under a lease option.
    3. It is not necessary to make disclosure of any beneficial interest which is represented by stock in any corporation registered with the Securities and Exchange Commission or registered pursuant to Chapter 517, which stock is for sale to the general public. A statement certifying the registration shall be provided by the lessor.
    4. It is not necessary to make disclosure under Subsections 1. and 2. of any leasehold interest in property located outside the territorial boundaries of the United States.
    5. Each subsequent transaction pertaining to a lease for which a disclosure statement has been provided, may be accompanied by a lessor's affidavit that the previous disclosure statement submitted on (date to be provided) is still valid, if the interest held or individuals concerned has not changed.

## **12.0 TRADE-IN OF UNIVERSITY-OWNED PROPERTY**

- A. Departments wishing to trade-in equipment must submit a requisition for the commodity to be purchased and include the following information about the equipment to be traded: noun name, model number, serial number, property or decal number, date originally purchased, and requisition cost. An approved "Request for Relief of Accountability by Survey or Trade-In (PROP-1)" form authorizing disposal by trade-in should accompany the requisition.
- B. The Purchasing Department obtains a firm price for the equipment that is to be traded following established purchasing procedures.
- C. A copy of the requisition, together with copies of the bid or price quotation, is forwarded to the Coordinator of Property Management, who may offer the equipment to the Florida State Agency for Surplus Property pursuant to F.S. 217.
- D. To determine the appropriate bid/quote level requirements involving trade-in property, the value of the trade-in property and the price of any new equipment is combined together (not deducted) to calculate the net total value of the transaction.

## **12.1 REPAIR AND CONTROL OF EXCESS PROPERTY**

### **A. Definitions**

1. Furniture - Consists of desks, chairs, credenzas, side tables, lounge furniture, conference room furniture, and other general furniture items;
2. General Office Equipment: Consists of typewriters, calculators, dictation equipment, and any other type of equipment required to carry out the administrative operating needs of a department;
3. Special Purpose Equipment: Items of equipment not defined to be either furniture, audiovisual, computer hardware or general office equipment, such as printing, laboratory, and physical plant service equipment;
4. Excess Property: Property, regardless of its physical condition, which is excess to the needs of the department custodian;
5. Serviceable Property: Property that has been used, but is in a serviceable condition;
6. Repairable Property: Property that has been evaluated and determined that repair is economically feasible;

7. Salvage Property: Property which, because of its worn, damaged, deteriorated, or incomplete condition, or specialized nature, has no reasonable prospect of sale or use as serviceable property without major repairs or alterations, but which has some value in excess of its scrap value;
8. Scrap Property: Property that has no reasonable prospect of being sold except for the recovery value of its basic material content;
9. Surveyed Property: Property, regardless of its physical condition, which is surplus to the needs of the university. This will include property which has been lost or stolen. No property will be classified as being surplus to the needs of the University without the prior approval of the Property Survey Board;
10. Trade-in Property: University-owned property in a serviceable, repairable or salvageable condition which can be used as a trade-in against the purchase of new, similar equipment.

## B. Property Repair Procedure

1. Furniture: The using department shall submit request for furniture repairs through the Physical Plant Division Work Control. If the work requires an outside contractor the using department shall submit a requisition to Purchasing. The decision to have the furniture repaired will be between the using department and Purchasing, taking into consideration the cost of the repair versus the cost of new furniture. If the furniture will not be repaired the using department shall take the necessary steps to survey the property.
2. General Office Equipment
  - a. Office Equipments: The using department shall initiate a requisition for the maintenance and repair of general office equipment when economically feasible.
  - b. Audio-Visual Equipment: The using department shall contact University Learning Resources for maintenance on televisions, VCRs, DVDs, stereo, data projectors, and other like equipment. In the event that Learning Resources is unable to repair the asset and the item is repairable, the using department may initiate a requisition for maintenance/repair of the item.
  - c. Computer Hardware: All maintenance and repair requests for computer hardware and peripherals shall first be submitted to the IRM Help Desk.
  - d. Other General Office Equipment: Call the Purchasing Department, for instructions.
3. Special Purpose Equipment - A requisition form shall be initiated and forwarded to the Purchasing Department when special purpose equipment is in need of a preventative

maintenance inspection or repair services. In addition to the normal header information, the requisition form should indicate the following:

- a. Name brand of equipment;
- b. Serial and model number;
- c. University property decal number;
- d. Name, location, and telephone number of primary operator;
- e. Type of service needed - preventative maintenance inspection or repair services. When repair service is needed, state how equipment malfunction was observed.
- f. The using department is not authorized to sign any vendor maintenance agreements. All agreements should be submitted with the requisition for signature and approval by the Purchasing Department.

4. Normally, a verbal order will be placed with the selected maintenance vendor. A confirming purchase order will be issued when the total cost of repair is known. Central Receiving will assist departments when it is necessary to ship special purpose equipment out of the local trade area for repair. If it is determined that the equipment is beyond economical repair the using department shall contact the Property Management Department to initiate the survey of the property.

C. Excess Serviceable Property: Serviceable property which is excess to the needs of any department responsible for its custody should be permanently transferred to the Surplus Property section of the Property Management Department so that it can be offered to other departments or otherwise disposed of in accordance with the University's property management procedures. The Purchasing Department will issue bids for Surplus Property Sales to the public, as requested by the Property Management Department. All Surplus Property Sales, regardless of the value or number of items to be disposed of, will be evidenced by a Surplus Property Sale bid.

## **13.0 LIMITED AND SPECIAL PURCHASES**

### **13.1 ACQUISITION OF MOTOR VEHICLES, WATERCRAFT OR AIRCRAFT**

A. Approval - The University shall not acquire any motor vehicle, watercraft or aircraft through purchase, lease, lease purchase or transfer from another public entity without the proper authorization.

#### **B. Acquisition**

1. Requesting Department Responsibilities - The requesting department shall submit a requisition to the Purchasing Department complete with the following information:

- a. Completed written request for purchase of mobile equipment;
- b. If the mobile equipment is on State Contract, enter the State Specification and Contract number on the requisition form;
- c. If the mobile equipment is not on State Contract, a complete detailed specification, including optional equipment, must accompany the requisition form. Justification for the purchase as a contract exception must also be submitted.
- d. A justification on the need for the vehicle including a discussion regarding the particular type/style of vehicle selected, and any extra features provided above and beyond the base vehicle configuration.

2. Purchasing Department Responsibilities-Upon receipt of the required document, the Purchasing Department shall complete the acquisition following established purchasing procedures. Physical Plant's Transportation Department, shall be notified upon receipt of requisition for mobile equipment and will be responsible for processing the vehicle into the University's fleet pool.

**13.2 ACQUISITION OF DUPLICATING/COPY MACHINES** - Acquisition of Duplicating/Copy Equipment - All requests for the purchase or lease of equipment utilized for the purpose of reproducing materials are initiated by completing the Duplicating/Copying Equipment Approval Form and submitting it to the Business Services Department for approval. Upon receipt of approval by Business Services, the department shall submit a requisition and the approved University form to the Purchasing Department. Purchasing shall follow the standard purchasing procedures for leasing or purchasing equipment as outlined herein.

**13.3 ACQUISITION OF TOXIC SUBSTANCES** - All orders for toxic substances should contain a statement for the supplier to furnish the material safety data sheet (MSDS) with each

shipment of toxic materials. The MSDS sheets shall be forwarded to Environmental Health and Safety for distribution to the appropriate departments.

**13.4 ACQUISITION OF WEAPONS AND EXPLOSIVES** - Only the University Police Department may purchase firearms, explosives and related items for use on the campus. Any department that desires to purchase firearms for academic or demonstration purposes must acquire written authorization from the University Police Chief and comply with all prescribed safety, security and accountability procedures for the materials.

**13.5 ACQUISITION OF RADIOACTIVE MATERIALS AND RADIATION EMANATING EQUIPMENT** - Radioactive materials and radiation emanating equipment (lasers and X-rays) are controlled by the University's Radiation Safety Officer at Environmental Health and Safety. Approvals for the purchase of radioactive materials and radiation emanating equipment must be received by the RSO in advance. Only the RSO may receive and transport radioactive substances. The using department must comply with all University guidelines and directives regarding the safety, storage and disposal of these materials.

**13.6 ACQUISITION OF CONTROLLED SUBSTANCES** - Controlled substances by licensed personnel and may only be ordered with the approval of the Division of Research. The using department must comply with all University guidelines and directives regarding the safety, storage and disposal of these materials.

**13.7 ACQUISITION OF LIVE ANIMALS** - Live animals may only be ordered with the approval of the Division of Research, Veterinary Services. The using department must comply with all University guidelines and directives regarding the safety, and handling of live animals.

**13.8 ACQUISITION OF PESTICIDES AND HAZARDOUS MATERIALS** - All hazardous materials and pesticides are controlled by the Environmental Health and Safety (EH&S). Only EH&S personnel can receive, transport and dispose of such material. The using department must comply with all University guidelines and directives regarding the safety, storage and disposal of Hazmat.

**13.9 ACQUISITION OF CONSTRUCTION AND RENOVATION SERVICES** - All construction projects, renovations, and alterations to buildings, offices and land require approval from Facilities Planning. Approval is required for any alteration to a structure, land, or room including renovations for shelving, wall mountings, carpeting, and any ceiling mount such as data projectors and TV's.

## **14.0 SMALL AND MINORITY BUSINESS PROGRAM**

### **14.1 AUTHORITY**

The Florida Small and Minority Business Assistance Act of 1985 as amended by Chapters 91-162, 94-322, and 98-295 Laws of Florida, and as prescribed by Florida Statutes 1001.74 (29) states, "Each board of trustees shall ensure compliance with the provisions of s. 287.09451 for all procurement and ss. 255.101 and 255.102 for construction contracts."

Also, in accordance with Executive Order 99-281 - One Florida Initiative - Equity in Contracting, Florida Atlantic University is committed to the fair and equal opportunity for all vendors to compete in the procurement process. FAU does not reserve procurements nor provide price preferences on any acquisition.

Accordingly, Florida Atlantic University's rules for Purchasing, Florida Administrative Code, Chapter 6C5-6.008 – Purchasing, Section (6) Purchases from Minority Business Enterprises, state, "The University is an equal opportunity institution and encourages procurement contracting with Minority Business Enterprises."

Florida Atlantic University shall develop and implement a Small and Minority Business Utilization Plan designed to promote, enhance, and increase the participation of small and minority business enterprises in the University's Purchasing Program.

This Small and Minority Business Utilization Plan is submitted annually to the President of Florida Atlantic University for review and approval of the plan and goals established for the Fiscal Year.

### **14.2 OBJECTIVE**

Florida Atlantic University continues its strong commitment to assist and encourage the growth of small and minority businesses by removing unnecessary burdens in University procurement and to promote an atmosphere conducive to the development of these enterprises towards a beneficial business relationship with the University and other political entities.

### **14.3 CERTIFICATION**

Certifications of small and minority business enterprises granted by federal, state and local entities, and business organizations are eligible for acceptance in the University's small and minority business program. Minority Business Enterprise certifications issued by the State of Florida will be accepted by the University.