



FLORIDA ATLANTIC
UNIVERSITY

PURCHASING MANUAL

BY:

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PROCUREMENT DEPARTMENT
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July 1, 2019

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OBJECTIVE & PURPOSE

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 for the acquisition of commodities, contractual services and construction.

AUTHORITY

Florida Statutes 1001.74, and Board of Governors Regulations 18.001, 18.002 and 18.003.

REGULATIONS

Florida Atlantic University Regulation 6.008 - Purchasing

POLICIES

Florida Atlantic University Policy 11.1 – Signature Authority

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 Buildings & Grounds, the University Controller's office, Student Activities, the Office of Information Technology 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 established budgetary constraints. Purchasing functions also include preparing 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 Procurement 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, regulations and directives established by the Board of Governors, the Florida Atlantic University Board of Trustees, 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 by the President, 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 most service contracts and agreements prior to any obligation or commitment by the University.

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. 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.
- C. Competitive Solicitation - An Invitation to Bid, Request for Proposal or Invitation To Negotiate to competitively select a contractor.
- D. Construction Services -- Contractual services, including labor or materials, for the design, construction, renovation, repair or demolition of University facilities.
- E. Contractor/Vendor/Supplier - A person or firm who contracts to sell commodities or contractual services to the University.
- F. 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.
- G. Extension - An increase in the time allowed for the performance of the contract.
- H. Independent Contractor - A person or firm who provides a service to the University but does not have any employment or other relationship or connection with the University, except as provided in Section 112.313, F.S.
- I. 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.
- J. 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. An invitation to negotiate may be used when negotiations are beneficial to achieve the best outcome for the University.
- K. 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.

- L. 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.
- M. Purchases for Resale - The purchase of commodities or contractual services acquired for the purpose of selling them for the benefit of the University.
- N. 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.
- O. 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 used when the scope of work is not clearly defined.
- P. 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.
- Q. 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.
- R. Identical (Tie) Bids - Two or more bids which are equal in all respects as to price, quality and service.
- S. Quotation - A written or verbal offer for commodities or services not requiring a public opening at a specific date and time.
- T. May - Denotes the permissive.
- U. P-Card - 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. Shall - Denotes the imperative.
- W. Sole Source Purchase - A purchase of commodities or services that are non-competitive.

1.0 GENERAL POLICIES AND PROCEDURES

This section contains the general procedures of the Purchasing Department.

1.1 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.

1.2 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 FAU Regulation 6.008, Purchasing.

1.3 DIRECTOR OF PROCURMENT – The President shall delegate to the Purchasing Department the powers and duties to approve, execute and administer University contracts for the purchase of commodities and contractual services and to establish policies and best practices to facilitate such duties. In addition, the Purchasing Department has the responsibility to:

- A. Canvass sources of supply and enter into contracts for the purchase of goods or services including installment or lease-purchase contracts.
- B. 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, and bar vendors from doing business with the University for demonstrated cause as determined by the President, including previous unsatisfactory performance.
- C. Planning and coordinating purchases in volume and negotiating with Vendors
- D. 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.

- E. Evaluate, approve, and utilize 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 and to identify potential savings and, if there is the potential for savings, enter into new consortia and cooperative contracts to achieve the savings.
- F. Elect as an alternative to the provisions of University Regulations 6.008, Section (8)(b) herein, to proceed with a bid solicitation or contract award process when it is set forth, in writing by the President, the particular facts and circumstances which require the continuance of the solicitation or contract award process without delay in order to avoid an immediate and serious danger to the public health, safety or welfare
- G. 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.
- H. Reject or cancel any or all competitive solicitations, in whole or in part, when determined to be in the best interest of the University.
- I. Purchase insurance as deemed necessary and appropriate for the operation and educational mission of the University.
- J. Coordinate with the University's Design and Construction Services Department the administration of Construction Services, which services shall be administered pursuant to Chapter 14 of the Florida Board of Governors (BOG) Regulations.
- K. 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;
- L. To prescribe the methods of securing bids or negotiating and awarding contracts;
- M. To negotiate on the best terms and conditions in the event no bids are received;
- N. 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;
- O. To prescribe items and quantities to be purchased locally by departments;
- P. To execute contracts, whether by purchase order or other approved purchasing method, for commodities and services required by the University;
- Q. To develop, distribute, and maintain the policies and procedures manual of the Purchasing Department in furtherance of FAU Regulation 6.008;

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

Associate Director:	All contracts and Purchase Orders up to \$1,000,000
Assistant Director:	All contracts and Purchase Orders up to \$500,000
Coordinators:	Purchase Orders up to \$74,999
Purchasing Agents:	Purchase Orders up to \$74,999

1.4 CONTRACTING AUTHORITY OTHER THAN PURCHASING - The President has delegated signature authority to other University positions, not under the supervision of the Director of the Purchasing Department, in accordance with University Policy 11.1. – Signature Authority.

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, P-Card 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 Regulations 5.011, University Ethics.

1.6 EMPLOYEE CONFLICT OF INTEREST AND GRATUITIES

- A. Conflict of Interest - Except as may be permitted by the regulations 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. 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.
- C. 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. The University shall not accept a competitive solicitation from, or purchase commodities or contractual services from a person or affiliate who has been convicted of a public entity crime and has been placed on the State of Florida's convicted vendor list for a period of 36 months from the date the person or affiliate was added to the convicted vendor list.
- D. A person or firm who receives a contract to perform a feasibility study for potential implementation of a subsequent contract, participates in the drafting of a competitive solicitation, or develops a program for future implementation shall be ineligible to contract with the University or compete for such procurements dealing with the specific subject matter.
- E. University employees and University direct support organization employees participating on a procurement selection committee for commodities or services are prohibited from soliciting donations from responding vendors during the selection process, except for donations or other benefits expressly stated in the procurement document.

1.7 BIDDING

- A. Informal - For purchases up to \$19,999 no formal quotations are required.
- B. Competitive Quotes - For purchases between \$20,000 and \$74,999, 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 Procurement Director, Associate Director, and Assistant 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 as to the circumstances when competitive quotes are not obtained.
- C. Formal - Purchases of contractual services, commodities or deferred payment contracts in excess of \$74,999 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 including option years.

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 Regulations. 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 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 or long term rental of residences for individuals may require the prior approval of the Controller's Office, or Contracts & Grants when applicable. In

order to make this type of payment, there must be a substantial cost savings to the University above the tax liability, must be of benefit to the University's mission, and must be otherwise authorized by law.

F. As specifically authorized by the grant or budget appropriation.

1.15 MOVING EXPENSES – See <http://www.fau.edu/controller/purchasing/moving-expenses/> for information about moving expenses.

1.16 ITEMS ON A TEMPORARY, TRIAL, TEST OR LOAN BASIS – Items (including commodities, services and software) to be used by the University on a temporary, trial, test or loan by a vendor at no cost must have the prior approval of the Purchasing Department and all other required University approvals. A zero dollar purchase order may be necessary to add loaned items into the University's property record for Risk Management coverage or to memorialize the loan agreement. It is the responsibility of the department to ensure the loaned item is returned to the vendor after the trial period is over. Items used on a temporary or loan basis is not sufficient justification for a non-competitive purchase of the items.

1.17 EXPEDITED 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 expedite an order with a vendor after an approved requisition has been received and the proper acquisition method has been selected and executed. In the event that the department receives goods or services prior to the approval of the Purchasing Department or issuance of a Purchase Order, an explanation/justification shall be provided with the requisition.

1.18 WEAPONS - Only the University Police Department may purchase firearms and related items for use on the campus. Any department that wants to purchase firearms, replicas, and weapons of any kind for academic or demonstration purposes must acquire written authorization from the University Police Chief and coordinate a storage, safety and accountability plan with the University's Police Department in advance of receipt of the weapons.

1.19 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. A value of \$5,000 or more per unit of software.

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

1.20 NOTICE WHEN CONSIDERING OUTSOURCING - The Assistant Vice President of Human Resources and the Director of Procurement 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.

1.21 AUDIT SERVICES - With the exception of the annual audits of the financial statements, most audit and audit-related services can be provided internally; 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 Controller and the Inspector General, as required, to determine (1) what audit and audit-related services may best be provided internally versus an outside source, and (2) the level of involvement by the Controller and OIG in obtaining and managing 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 Controller and OIG.

1.22 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 two (2) 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.

Note: The Purchasing Department also maintains offices at the Davie and Harbor Branch campuses to provide services for using departments located in Broward County and at the Harbor Branch Oceanographic Institute (HBOI) in St. Lucie County, respectively.

3.0 GENERAL MONETARY LEVELS AND LIMITS

- A. \$20,000 - \$74,999: Competitive Quote Level. Two or more written quotes are required for procurements in excess of \$19,999 unless otherwise exempt.
- B. \$75,000 +: Formal Competition. Formal competitive bids or proposals, (ITB/RFP/ITN) are required on purchases of commodities, contractual services, deferred payment and revenue generating contracts in excess of \$74,999 unless otherwise exempt. A formal two-party contract may be required for contract and research subcontract services.
- C. Contracts providing for the payment of interest may be bid or financed through the Consolidated Equipment Financing Program (CEFP) administered by the State CFO's Division of Accounting and Auditing. The cost of financing shall be considered in determining the cost of the procurement and the competitive requirements.

All deferred payment contracts of 5 years (60 months) or more requires the approval of the Board of Governors (BOG). Please refer to Section 9 for further details on lease and deferred payment approvals.

- D. For the purposes of determining the bidding threshold the total cost of the requirement may include any options and finance charges, for the life of the contract including option years.

4.0 EXEMPTIONS FROM COMPETITIVE SEALED BID REQUIREMENTS

- A. Commodities and contractual services that are not subject to the competitive solicitation process include:
1. Artistic services;
 2. Academic reviews;
 3. Lectures;
 4. Auditing services;
 5. 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;
 6. 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;
 7. 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;
 8. 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;
 9. Family placement services;
 10. Training and education services;
 11. Advertising ; except for media placement services;
 12. Services or commodities provided by the Federal Government, the State, other states, political subdivisions or entities, colleges, and universities;
 13. 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;
 14. Purchases from firms or individuals that is prescribed by state or federal law or specified by a granting agency;
 15. Regulated utilities and government-franchised services;
 16. Regulated public communications, except long distance telecommunication services or facilities;
 17. Purchases from the Annual Certification List developed by the University;
 18. Purchases for resale;
 19. Accountant Services;
 20. Contracts or services provided by not-for-profit, direct support, health support and University affiliated organizations and faculty practice plans;
 21. Implementation, programming, or training services available from the owner of copyrighted software or its agent; and
 22. 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 - Purchases in excess of the bid threshold must be made on the basis of competitive solicitations with certain exceptions. Purchasing actions that are not subject to the competitive solicitation process include:

- A. **Emergency Purchases:** 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. **Sole Source Purchases:** The Requesting Department shall certify in writing that a particular commodity or service is available from a single source and Procurement shall electronically post the certification for three working days if the purchase amount is \$75,000 or greater.
- C. **Cooperative Agreements:** Purchases from contracts and negotiated annual price agreements established by the Federal Government, the State, other states, political subdivisions or entities, colleges, universities, educational cooperatives or educational consortia are not subject to further competitive solicitation.
- D. **Construction Direct Purchase Program (Owner/Contractor Program):** In accordance with BOG Regulation 14.007, Competitive Negotiations, commodities to be incorporated into any public work which are procured by the University in accordance with the requirements of the University's direct purchase program, are not subject to any further competitive solicitation.
- E. **Sponsored Research Exemptions (SRE):** 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. SRE certifications shall be posted electronically for three working days.

6.0 THE PURCHASING CYCLE

A. General

The requisition is the most important task in the purchasing cycle. It is used to request purchases of commodities/services through the Purchasing Department. It provides the cost center to be charged, obtains the approvals for the expenditure and purchase, and provides needed information such as item descriptions, quantity, delivery instructions, and desired delivery date. Complete and correct preparation of the requisition expedites the purchasing process.

B. FAU Purchase Requisition - General Instructions

1. The purchase of needed equipment, materials, or services from off-campus sources shall be initiated in FAU Workday by:
 - a. Catalog Requisition for those line items entered into Workday by Purchasing, such as Pride Printing.
 - b. Supplier Website Punchouts from Workday that connect directly to a supplier's website, creates the requisition in Workday, and issues the Purchase Order electronically directly to the vendor.
 - c. Ad Hoc Goods and Services Requisition in Workday for those items not available in a Catalog or Punchout. Also used for the creation of Blanket Purchase Orders.

2. For further information regarding FAU Workday Procurement, please visit the FAU Purchasing website and Workday.

C. Purchases Recommended To Be Made With a Purchasing Card (P-Card). No Purchase Requisition Required.

1. Conference registrations, college fairs, memberships, dues, periodicals and application fees if under \$5,000.

6.1 PRICE DETERMINATION

A. General

1. For requisitioning purposes, departments may obtain quotes, rough cost estimates from catalogs, or use prior orders from vendors. A copy from a catalog or brochure will assist the Purchasing Agent in obtaining the correct item. When securing vendors' estimates, the requisitioners should be careful to avoid the impression that they are 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 and source the requisition into a Purchase Order. Consideration will be given to utilizing contract or cooperative resources in order to insure minimum costs or to obtain a cost savings.

B. 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 \$75,000. For purchases between \$20,000 and \$74,999, written quotes may be solicited when the commodity or service warrants competitive pricing.
2. The Purchasing Department may advertise any formal bid 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. Bids in excess of \$200,000 shall be advertised on the My Florida Marketplace Vendor Bid System (VBS). All bids over \$75,000 shall be advertised on the Purchasing Department's web site. Bids are generally advertised and available to the general public for 30 days unless Purchasing determines that the interests of the University require a reduced or extended bid time, or the use of alternative advertisement methods.
3. The formal bid process (ITB, RFP, ITN) typically requires 60 – 90 days starting with the customer's draft of the specifications/statement of work until a final award decision is made. This time includes review and approval of draft specifications, statutorily required public notice posting times, 30 days for vendor bid responses, and the proposal evaluation process.

The formal bid process for complex commodities and services will take longer than a standard ITB, RFP or ITN, especially where the award evaluation is comprehensive and negotiations with the Offerors will be conducted.

The Using Department should contact the Purchasing Department as far in advance of any major purchase to allow sufficient time to plan and accommodate the formal bid process.

4. 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/bids/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' under the bid threshold; formal bid/proposals over the bid threshold will be documented with form PUR 23, Receipt of One Bid Certification.
5. In the event that no quotes, bids, proposals, or responses to Invitations to Negotiate are received in response to a competitive solicitation, the University shall negotiate the purchase at the best possible price at the most favorable terms.
6. In accordance with Florida Law, no purchase shall be divided or subdivided in order to

circumvent the quote/bid/proposal requirements.

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.
9. The opportunity to bid on a University contract is a privilege, not a right.
10. All contracts for the purchase of commodities or contractual services exceeding the bid threshold shall be awarded pursuant to a competitive solicitation, unless otherwise exempted.
11. The purchase of commodities and contractual services shall not be divided to avoid the requirement of competitive solicitation.
12. When multiple responses that are equal in all respects are received to a competitive solicitation, the Purchasing Department shall give a preference, in order, to responses that include commodities manufactured in the State, businesses with a drug-free workplace program, or the earlier bid/proposal submission in determining the contract award. If these conditions do not exist, or are the equivalent between two or more responses, a coin toss may be used.
13. The intended award shall be electronically posted by the Purchasing Department for 72 hours which is interpreted as three working days excluding Saturdays, Sundays, and State and University Holidays.
14. The contents of Requests for Proposal, Invitations to Bid and Invitations to Negotiate shall be kept confidential by the University until the University provides notice of an intended decision or as otherwise provided in Section 119.071, F.S.
15. In the case of extension errors, the extended price (unit price multiplied by the quantity) will be based on the unit price as stated in the Vendor's Response.
16. When awarding a contract to purchase personal property, other than printing, by competitive solicitation, a preference shall be provided to vendors with a principal place of business in Florida as prescribed by BOG Regulation 18.001.

6.2 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 close or cancel the purchase order.

- B. Departments may initiate requests for change orders by using the Change Order form found at <http://www.fau.edu/controller/purchasing/forms/>.

6.4 RECEIPTS AND MATCHING

- A. In Workday, Purchase Orders shall have a receipt acknowledged electronically by the requisitioner, except for punchout Purchase Orders, Construction Projects and Supplier Contracts as determined by the Project Business Process.
- B. Purchase Order invoices are routed in Workday to the requisitioner to acknowledge the goods/services were received and that everything on the invoice is accurate.
- C. A match in Workday is defined as the PO to the Invoice –There is a 5% overage tolerance allowed on each line item, not to exceed \$50.

6.6 PRIVATE EYE QUERY SYSTEM

Effective July 1st, 2015, the Private Eye Query System on the FAU Network and maintained by Purchasing will no longer be updated with new Purchase Orders for FY 16 as issued by Workday. The system will be maintained statically as it exists on June 30th, 2015 (FY 15) for several years to provide departments with historical tracking and reporting data.

A new Private Eye Report is available in Workday for those with the necessary security access and will not be published publicly to the web. Other reports and Worklets are available in Workday for an individual to track their procurement activity as well as cost center and business manager level reporting.

For further information regarding Workday Procurement please visit the FAU Purchasing and Workday websites.

7.0 COMMUNICATION, MEDIA, AND CREATIVE SERVICES MATERIALS

7.1 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 re-handling 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 in accordance with BOG Regulation 18.001.

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 may include a statement providing that the inclusion of advertising in such material does not constitute and 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 in the requisition 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, scans of the documents should be attached to the requisition.

7.2 UNIVERSITY PUBLICATIONS POLICY

Acquisition of publications, media services, marketing and printing or duplication services by University Departments and/or individuals shall be pursuant to the procedures set forth by the University's Marketing & Creative Services Department.

All printing requirements are subject to the review and approval of Marketing & Creative Services, except for business cards, letterhead, and envelopes which are purchased by the Purchasing Department from Florida's Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE). All Workday requisitions except for PRIDE will route to Marketing & Creative Services for approval before submission to Purchasing.

The Purchasing Department will not contract directly for printing services for any publications, except upon request of Marketing & Creative Services. The Purchasing Department is responsible for the calling of formal bids and the awarding of contracts.

7.3 BRAND MANAGEMENT

The development of a brand identity for FAU was a collaboration of faculty, staff, students and the community. The resulting set of standards and guidelines dictates how the University should be represented in all communications. The Marketing and Creative Services Department has been charged with managing the University's brand through the monitoring and oversight of the visual and editorial identity of the University and its entities. This includes, but is not limited to, overall brand and image representation, logo use, editorial style review and design approval.

To maximize the effectiveness of the brand is important for everyone associated with University activities to make every effort to understand the brand and to adhere to the standards set forth. Any individual responsible for creating communications materials should be familiar with the visual standards manual and the editorial standards. All materials intended for dissemination to non-academic internal and external audiences need prior approval from Marketing and Creative Services.

7.4 TRADEMARK LICENSING

A trademark licensing program gives the University control over its logos and marks, thus, ensuring the quality and consistency of all of the University's merchandise. Any mark, logo, symbol, nickname, letter(s), word(s) or combination of these that can be associated with the University qualifies as a trademark.

Any vendor wishing to use the marks, logos and symbols of the University must obtain a trademark license. All trademark products will be considered and must be approved by the Licensing & Marketing. No products will be licensed without the approval of the Licensing & Marketing. This ensures all products associated with the University are of high quality and good taste and, ensures the non-approval of potentially hazardous items.

Failure to obtain a license or approval from the Licensing & Marketing will be grounds for the seizure of all non-approved merchandise bearing the University's marks.

FAU assumes no financial responsibilities whatsoever to any individual, vendor, department or organization resulting from the ordering, delivering, or acceptance of non-approved products and services that required licensing and trademark approval.

8.0 INFORMATION TECHNOLOGY RESOURCES

Information Technology Resources is comprised of the computer equipment, facilities, software, and all voice and data assets that comprise the University's network and all the electronic information and communication infrastructure contained therein.

The Office of Information Technology (OIT) is responsible to functionally integrate university administrative data systems across the campuses, colleges, departments, and associated organizations. It is important that any software with university wide applications be reviewed and approved by OIT so that existing software operational activities are not compromised.

OIT shall coordinate, direct, and approve the design, purchase, implementation, and utilization of additional university administrative data systems resources across the campuses, colleges, and departments.

8.1 COMMUNICATION EQUIPMENT

Communications Technology Resources are subject to the same rules and regulations as Information Resource Technology.

8.2 PROCEDURES

The following guidelines apply for the purchase of Information Technology (IT) and Communications hardware and software:

- A. All Workday requisitions for monitored spend categories related to IT Hardware and Software will automatically route to OIT for approval prior to submission to Purchasing.
- B. The University has delegated authority 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 requisition for approval:
 - a. If requested, explain the reason for requesting the equipment and its proposed use.
 - b. If the equipment is not on State or Cooperative Contract, a complete detailed specification;

If the cost of the equipment is expected to exceed the bid threshold and is available from a single source, a Sole Source Certification must be submitted with the requisition form in accordance with the procedures in Section 5.0.

2. For equipment exceeding the bid threshold and not on State or Cooperative Contract, a formal bid solicitation is created for issuance.

8.3 ADDITIONAL PROVISIONS

- A. Departments are responsible for adhering to all applicable federal, state, and local laws and regulations and all University regulations and policies, specifically including without limitation those pertaining to the privacy of student records (FERPA), the Health Insurance Portability and Accountability Act (HIPAA), and the Digital Millennium Copyright Act (DMCA).
- B. Copyright: Departments are responsible for respecting the copyrights of others and must refrain from unauthorized distribution, downloading and use of copyrighted works.

9.0 LEASES AND DEFERRED PAYMENT PURCHASES OF EQUIPMENT OR SOFTWARE

CAPITAL LEASES:

A lease that meets any one the following criteria is considered a capital lease. Approval from the FAU Chief Financial Officer or Deputy Chief Financial Officer is required to proceed with a capital lease as there are specific procedures that need to be followed by the BOG and the State of Florida (See the State University System Board of Governors "Debt Management Guidelines" and Chapter 287.063 and 287.064, Florida Statutes).

- The ownership of the asset is shifted from the lessor to the lessee by the end of the lease period
- The lessee can buy the asset from the lessor at the end of the lease term for a below-market price
- The period of the lease encompasses at least 75% of the useful life of the asset (and the lease is noncancellable during that time)
- The present value of the minimum lease payments required under the lease is at least 90% of the fair value of the asset at the inception of the lease

OPERATING LEASES:

A lease that does not meet the criteria for a capital lease is an operating lease. Operating leases of equipment or software, regardless of the period of time, are subject to the review and approval of the Purchasing Department.

INSTALLMENT SALE AGREEMENTS OR OTHER DEFERRED PAYMENT PURCHASE:

Approval from the FAU Chief Financial Officer or Deputy Chief Financial Officer is required to proceed with an installment sale agreement or other deferred payment purchase as there are specific procedures that need to be followed by the BOG and the State of Florida (See the State University System Board of Governors "Debt Management Guidelines" and Chapter 287.063 and 287.064, Florida Statutes).

REQUESTING DEPARTMENT 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. Approval from the FAU Chief Financial Officer or Deputy Chief Financial Officer, if requesting a capital lease, installment sale agreement or other deferred payment purchase.
2. Equipment specifications.
3. Lease versus purchase cost benefit analysis.
4. A statement from the Dean, or appropriate Vice President guaranteeing that funds will be provided during the entire term of the lease.

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. Copy the General Accounting Department on Purchase Orders issued for leases (operating and capital), installment sale agreements and other deferred payment purchases.

10.0 RETAIL AND SPONSORSHIP OPPORTUNITIES

The FAU Retail/Sponsorship Committee has been established to review and recommend potential business opportunities. Such opportunities include retail, activities that are commercial in nature and sponsorship ventures to serve the students, faculty, staff, alumni and visitors of Florida Atlantic University and to serve as a central entrepreneurial repository of information.

Additionally, it is the responsibility of the committee to make recommendations to the Senior Vice President of Financial Affairs as to the viability and appropriateness of these opportunities before a formal acquisition process begins.

The committee shall be guided by the principle of creating a synergy among the current retail and commercial enterprises at FAU and future opportunities. In doing so, the committee serves to provide a uniform basis for evaluating proposed enterprises. If the committee recommends that a proposal be pursued, it may also recommend the means by which the proposal is advanced. Retail/Sponsorship opportunities shall be vetted through University Business Services (Chairperson) for possible evaluation by committee.

11.0 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.
 - 2. 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.
 - 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 service or item manufactured, processed, grown, or produced by Florida's Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE). 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 other 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.

12.0 SPECIAL PROCEDURES

This section contains Special Procedures of the Purchasing Department.

12.1 BLANKET PURCHASE ORDERS:

- A. General - A Blanket Purchase Orders is a simplified method of filling recurring needs for supplies or services, for indeterminable time periods, or unknown quantities by establishing open accounts with qualified suppliers. Blankets are designed to expedite the acquisition of urgently, and/or frequently, needed supplies or services and to reduce administrative costs by eliminating the need for issuing individual purchase orders. On Blanket Orders between \$20,000 and \$74,999, if no individual purchase will be over \$20,000 additional quotes may be waived by Purchasing. It may be impractical to get any quotes for certain Blanket Orders, including ones to suppliers who have a large catalog of items or when we are not certain exactly what products/services will be purchased during the time period on the Blanket Order.
- B. Limitation on Use - A Blanket Purchase Order should NOT be used when:
 - 1. The aggregate monetary value will exceed the formal competitive bid threshold for any one type of item or service in any twelve-month period (unless a bid, qualifying consortium or piggyback arrangement is referenced).
 - 2. The purchases are for capital (property > \$5,000) items and assets; or
 - 3. The term is for longer than one calendar year; or
 - 4. The term will cross fiscal years utilizing annually appropriated funds or for a period longer than the funding authorization (grant, aux, and local funds)
 - 5. Blankets should not be used for Suppliers that are on a Workday Punchout catalog. Orders should be placed individually by selecting the specific items needed from the Punchout catalog.
- C. Orders Against Blanket Purchase Orders - Orders against Blankets 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 purchase order number.
- D. Funds Increase/Decrease - The encumbrance of a Blanket Purchase Order may be increased or decreased by submitting a Change Order. (See Section 6.3 above.)
- E. Termination of Blanket Order - The agreement may be terminated by the using department by submitting 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.

12.2 BLANKET MAINTENANCE OR SERVICE AGREEMENT

Requisitions for maintenance or service agreements on office machines or laboratory equipment should include the following information:

- A. Location of machine and name of contact person;
- B. Name brand, model number, and serial number of equipment;
- C. Beginning and ending dates of maintenance period;
- D. The 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 and will need review and approval by General Counsel and the signature of the Purchasing Department.

12.3 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 nor can such actions be processed by Purchasing. 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 and Insurance are not considered services.
- B. Requirement for Agreements – Unless otherwise exempted, all procurements of contractual services in excess of the bid threshold shall be evidenced by a written agreement embodying all provisions and conditions of the procurement of such services. A purchase order may be used in lieu of a separate contract agreement.

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 the bid threshold 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. 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 in accordance with University Policy 11.1 - Signature Authority. 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 by General Counsel prior to signature, except for those specific agreements, conditions, and circumstances assigned to the Purchasing Department.
- D. The approval of any contract or agreement by General Counsel or an authorized signatory does not absolve nor exempt the Using Department from full and satisfactory compliance with the Purchasing requirements especially adherence to the competitive thresholds. All contracts and agreements should be coordinated with the Purchasing Department for compliance prior to review by General Counsel or signature by an authorized person.

12.4 ORGANIZATIONAL MEMBERSHIPS & PROFESSIONAL LICENSES-

- A. In accordance with Florida Statutes 119.01(3), if public funds are expended for the payment of dues or membership contributions for any person, corporation, foundation, trust, association, group, or other organization, all the financial, business, and membership records of that person, corporation, foundation, trust, association, group, or other organization which pertain to the public agency are public records and subject to the provisions of s. 119.07.
- B. Professional Licenses may be paid with state funds on if FAU requires the particular license for the execution of a university mission function and the individual's job position requires the license.

For example, If FAU hires a position in Accounting where a CPA license is required to perform required duties of the office then the license or renewal fees may be paid by the University.

If the position was hired as CPA preferred, or if it simply wasn't a requirement at all then any professional licensing fees would be the responsibility of the individual.

- C. A "benefit to the state" shall be included on each requisition for memberships and professional licenses.

12.5 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.

The following general guidelines apply:

- A. Leases of space less than 5,000 sq.ft. do not require a formal bid regardless of total cost.
- B. Leases for space less than 500 sq.ft. or 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 President and the Board of Trustees (BOT), as required, as serving the best interests of the University and that exemption from the competitive bid process would not be detrimental to the institution.
- D. Leases in Research Parks must comply with Florida Board of Governor's (BOG) Regulation 17.001, Leasing Authority.
- E. Florida Atlantic University utilizes the following procedures when executing leases for real property:
 - 1. Before initiating the search for, or prior to the leasing of space, buildings or any portions thereof, 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 agreement shall be reviewed as to form and legality by the University Attorney. The University President, the Director of Procurement, or authorized signatories with delegated authority, shall execute all leases.
 - 3. Nothing in these procedures shall be interpreted as circumventing the provisions of Florida Statutes as it relates to facilities for the handicapped.
- 4. All leased space shall comply with all applicable codes and the fire safety standards of the State Fire Marshal. All renovations or modifications of leased space must be approved for code compliance by OSUA prior to occupancy.
- 5. The University may 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 may 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.
- 6. 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.
7. 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.
8. Disclosure Statements - Private Entities, Public Officials.
- a. 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.
 - b. 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.
 - c. 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.
 - d. It is not necessary to make disclosure of any leasehold interest in property located outside the territorial boundaries of the United States.
 - e. 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 is still valid, if the interest held or individuals concerned has not changed.

12.6 VENDOR INSURANCE REQUIREMENTS

- A. All vendors doing business with FAU should be business entities properly licensed, insured and registered as required by law and authorized to do business in the State of Florida.

Unless otherwise specified, all vendors must possess the required insurance coverages as specified by the Florida Statutes including Workers Compensation, Automobile, and Professional/General Liability.

- B. Additional insurance coverage types and increased insurance limits will be assessed on a case-by-case basis as may be determined by the department, the University's Risk Manager, and the Purchasing Department based on the facets of the goods/services being procured.
- C. Verification of insurance coverage is handled on an exception basis, unless otherwise specified or required. When insurance certificates or verification is required it will be requested and maintained by the requesting department. Certificates not specifically requested but mailed to FAU by insurance providers may be sent to the Purchasing Department for general filing.

13.0 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 Property Accountability Form (PROP1) 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. 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.

13.1 REPAIR AND MAINTENANCE OF UNIVERSITY PROPERTY

A. Maintenance and Repair Procedures

1. General Office Equipment

- a. Office Equipment: The using department shall initiate a requisition for the maintenance and repair of general office equipment when the department determines that it is economically feasible to repair the item in lieu of replacement.
- b. Audio-Visual Equipment: The using department shall contact Instructional Technologies 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 OIT Help Desk.
- d. Other General Office Equipment: Call the Purchasing Department for instructions.

2. Special Purpose Equipment - A requisition shall be initiated when special purpose equipment is in need of a preventative maintenance inspection or repair services. The requisition 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 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 and will need review and approval by General Counsel and the signature of the Purchasing Department.
- 3. A purchase order will be placed with the selected maintenance vendor, typically for the basic maintenance inspection. When the total cost of the repair is known or for an amount necessary to cover all known charges for parts, inspection and evaluation services a Change Order shall be submitted for the additional costs.
 - 4. 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 to dispose of the asset.
- B. Excess Serviceable Property: Serviceable property which is excess to the needs of any department responsible for its custody should be permanently transferred to 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.

14.0 LIMITED AND SPECIAL PURCHASES

14.1 ACQUISITION OF MOTOR VEHICLES, WATERCRAFT OR AIRCRAFT

- A. Requesting Department Responsibilities - The requesting department shall submit a requisition complete with State Contract or Cooperative Contract number, specification/line, vehicle color, vehicle specification, trim package, and other features including type of tag (normally College tag).
- B. Requisitions will route to the Transportation Department for verification of required forms and assignment of an asset tracking number. The asset number shall be entered into the Comments section for approval.
- C. All vehicles will be delivered to a designated Transportation Department location for receipt and entry into the University's Vehicle Fleet. Whenever possible the dealer will be required to provide vehicle tag.
- D. University Vehicles will comply with University Communications, Visual Standards Manual, and shall comply with the vehicle colors authorized and utilize only approved trademarks and logos.
- E. In accordance with the Energy Policy Act of 2005 (EPA 2005, as amended), Florida Atlantic University has been mandated to purchase "E85" compliant flex-fuel vehicles. This is federally mandated program which applies to Florida public entities in specified metropolitan regions, and extends to all FAU campuses. Vehicles purchased for the University must comply with this mandate.
- F. At this time, commercially available Hybrid models are ineligible to earn credits under the standard compliance per the Energy Policy Act.
- G. Low Speed Electric Vehicle (Golf Cart)

Per University Policy 4.1.6, when acquiring a Low Speed Electric Vehicle, new or used, the vehicle needs meet the safety requirements stated in the policy. To ensure that all the safety requirements are met prior to the acquisition, the department must submit Vehicle Approval & Registration Form with the Purchase Requisition and have obtained the necessary authorization in order to get the vehicle acquisition approved by the Purchasing Department. More information about the Policy and the Requirements:

<http://www.fau.edu/facilities/ehs/golfcarts/index.php>

14.2 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 (EH&S) for distribution to the appropriate departments.

14.3 ACQUISITION OF WEAPONS AND EXPLOSIVES

Only the University Police Department may purchase firearms, explosives, ammunition and related items for use on the campus. Any department that desires to purchase firearms or replica weapons 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.

14.4 ACQUISITION OF RADIOACTIVE MATERIALS

Radioactive materials are controlled by the University's Radiological Safety Officer (RSO) for Environmental Health and Safety (EH&S). Approvals for the purchase of radioactive materials 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.

14.5 ACQUISITION OF CONTROLLED AND MEDICAL GRADE SUBSTANCES

Controlled and medical grade substances such as chemicals and gases may only be ordered by licensed personnel and 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.

14.6 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.

14.7 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.

14.8 ACQUISITION OF CONSTRUCTION AND RENOVATION SERVICES

All construction projects, renovations, and alterations to buildings, offices and land require approval from Design and Construction Services. 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 TVs.

14.9 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. However, to assist with the identification of misdirected legitimate purchases or due the potential liability of a vendor employing unfair business

practices, University personnel are requested to contact the Purchasing Department anytime goods or services are received that were not requested by the Using Department.

14.10 INSURANCE

The University's Risk Management Program is managed by Environmental Health & Safety's (EH&S) Risk Manager. Insurance coverage for existing university property, the purchase of new insurance, claims, and other risk services both under the State's Risk Trust Fund and outside commercial carriers should first be coordinated through the EH&S Risk Manager. This includes coverage for specialty items like high value lab equipment, art, and marine insurance. Coverage for special events, transit shipping and other insurance as may be required for the use of off-campus facilities also require advanced coordination through the University's Risk Management Program.

14.11 MEDICAL CONTRACTORS AND INSURANCE

The purchase of medical insurance or coverage of any type, professional liability insurance for medically related FAU (faculty, staff, and student) service providers, and the hiring of medical professionals to dispense care or treatment to anyone are prohibited expenditures unless first validated and approved by the General Counsel's Office and the University's Risk Manager in Environmental Health & Safety's (EH&S) for compliance in accordance with FAU's Self Insurance Program (SIP).

14.12 GIFT CARDS

The purchase of gift cards are limited to research participant use only with approved funds and an IRB approval. Qualifying Gift Card purchases may be ordered on a purchase requisition using FAU preferred suppliers. Grant funded gift card purchases will be processed in accordance with Division of Research Policy 10.5.1:

http://www.fau.edu/research/docs/policies/research-accounting/10.5.1_Gift_Card_Policy.pdf

It is not permissible to use P-Cards for the purchase of gift cards. Gift cards must be shipped to the Controller's Office where they will be secured, until the Requester can arrange for pick-up.

Gift Cards orders must reference the PO number and be Shipped To:

Florida Atlantic University
Controller's Office
Audrey Robinson, Bldg 10 Room 149
777 Glades Road
Boca Raton, FL 33431-0991

14.13 DRONES

The purchase of drones and other remote aircraft and vehicle system are monitored and approved by Environmental Health and Safety.

14.14 LEGAL SERVICES

Legal services or the hiring of licensed legal practitioners for services in any capacity must be approved by the University's General Counsel.

14.15 AUDIT SERVICES AND INSPECTION STUDIES

The purchase of auditing services or inspection services must be approved by the University Controller and the Inspector General.

14.16 INVESTIGATIVE SERVICES

Police and other investigative services must be approved by the University's Police Department.

14.17 SECURITY, ALARM, MONITORING, CAMERA, AND CARD ACCESS SYSTEMS

All security, alarm, monitoring, camera and card access systems must be approved by the University's Police Department (Public Safety), Office of Information Technology, and Design and Construction Services. This approval is required for all systems including wireless and those systems operating on FAU's network regardless of the location and intent of the system. The University Police Department must have complete access to the system.

15.0 SUPPLIER DIVERSITY

15.1 AUTHORITY

Florida Atlantic University is committed to providing fair and equal opportunities for all businesses to compete in the procurement process. FAU does not reserve any procurement nor provides price preferences to any vendor on acquisition matters.

The University continues its strong commitment to assist and encourage the growth of small, disadvantaged, woman-owned, veteran-owned and minority businesses by removing unnecessary burdens in University procurements and promoting an atmosphere conducive to the development of these enterprises towards a beneficial business relationship with the University and other political entities.

15.2 OBJECTIVE

FAU has established, to the maximum extent possible and practical, uniform purchasing procedures for full and open competition regarding the acquisition of commodities, contractual services, and minor construction.

15.3 CERTIFICATION

Certifications of small, disadvantaged, woman-owned, veteran owned, 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. Small and Minority Business Enterprise certifications issued by the State of Florida, NMSDC (including affiliates) and WBENC (including affiliates) will be accepted by the University.

16.0 SOCIAL SECURITY NUMBER COLLECTION & USAGE

FAU's Purchasing Department may collect social security numbers (SSNs) only as specifically authorized by law or if imperative for the performance of duties and responsibilities as prescribed by law. SSNs may be required to facilitate vendor payments, authenticate identity, and the issuance of honoraria to individuals. SSNs are necessary for compliance with Financial Information Reporting, and Miscellaneous Income (1099) reporting to the IRS. SSNs may also be required for ACH (direct deposit) Forms to verify against bank records. FAU takes appropriate measures to secure SSNs from unauthorized access and does not release SSNs to other parties except as authorized by law or as necessary for the fulfillment of our duties and responsibilities, and will only be required for the legitimate business purposes as outlined below:

- Accounts Payable Checklist: Employee vs. Independent Contractor Status (aka Consulting & Professional Services Worksheet)

Authorized by 26 USC §§3402(f)(2)(A), 1441, 6109, 6050S and §119.071(5), F.S.

- Vendor Application Form, and as required by the IRS Form W-9 and the ACH Enrollment Form contained therein.

Authorized by 26 USC §§3402, 3406, 1441, 6109 and §119.071(5), F.S.