

UNIVERSITY POLICY

Policy Name:	<u>Purchasing</u> Procurement and Payment Policy				
Section #:	20.1.11	Section Title:	Administrative Policies, Procedures, and Services	Formerly Book:	6.5.1
Approval Authority:	<u>Board of Governors</u> Senior Vice President for Finance and Treasurer		Adopted:	401/01/1981	Reviewed: 3/13/2015 04/10/2018
Responsible Executive:	Senior Executive Vice President for Finance and <u>Administration and University</u> Treasurer		Revised:	1/1988; 6/1988; 12/22/2006; 12/05/2011; 01/13/2012; 02/14/2012; 3/27/2012; 7/1/2013; 7/2/13 (document edits); 10/03/2013; 2/19/2014 (Updated department name); 3/13/2015; 04/10/2018 (revised to subsume University Policies 20.1.16, 20.1.17, and 40.2.4)	
Responsible Office:	University Procurement Services		Contact:	University Procurement Services <u>Natalie.horowitz@rutgers.edu</u> or (848-)932-4375 <u>procure@finance.rutgers.edu</u>	

1. Policy Statement

~~The purchase~~

To the maximum extent possible, the procurement of goods and services for Rutgers, The State University of New Jersey, will be conducted in a manner an open and competitive environment to ensure that provides, to the maximum extent possible, competition and adherence to its procurement prices paid by Rutgers for those goods and services are fair and reasonable, and that procurements for Rutgers follow best in class ethical business practices. Procurements of goods and services for Rutgers must conform to the standards identified in this policy which reflect applicable Federal, State, local, and tribal laws and regulations where necessary.

2. Reason for Policy

~~To assure that university purchases and payments are made in accordance with applicable Federal, State and local laws, regulations, codes properly authorized, and ordinances;~~

- ~~• To obtain~~Obtain the best value for the university;
- ~~• To ensure~~Follow fair and ethical business practices; and
- ~~• To assure the~~Reflect appropriate stewardship of university resources; and.

~~To provide~~educate employees and suppliers with about the university's procurement and payment policy and procedures.

All policies are subject to amendment. Please refer to the Rutgers University Policy Library website (policies.rutgers.edu) for the official, most recent version.

To reflect the requirements for mission of University Procurement Services, which is to:

- Provide support to the Rutgers community in the selection, acquisition, and use of goods and services;
- Maximize the university's purchasing at Rutgerspower by focusing on strategic sourcing;
- Leverage its expertise in contract negotiations and supplier management;
- Streamline processes and investment in technology to provide administrative efficiencies; and
- Minimize risk exposure while maintaining flexibility in procurement activity.

3. Who Should Read this Policy

Members of the university community who purchase goods and services, or are authorized to use university funds for the purchase or leasepayment of goods, equipment, and/or services.

4. Resources

Policies are available at the University Policy Library web site: <http://policies.rutgers.edu>

~~Policy 20.1.16, Policy on Notification and Approval of Certain Contracts Awarded without Competitive Bids or Proposals~~

~~Policy 20.1.17, Engagement and Payment of Professional Service Provider Policy~~

~~Policy 40.4.1, Travel, Travel Incidentals, and Meal Expense Policy~~

~~Policy 50.3.13, Signatory Authority Policy~~

~~Policy 80.1.3, Purchase of External Advertising~~

~~Policy 80.1.5, University Visual Identity~~

~~Policy 80.1.2, Trademark Licensing Policy~~

- *University Procurement Services Procedural Manual*

Rutgers Policies:

- University Policy 40.4.1: Travel and Business Expense Policy
- University Policy 50.3.13: Signatory Authority Policy

Rutgers Code of Ethics:

~~50.1.12, Conflict of Interest for Members of the BOG & BOT and University Officers~~

~~60.1.1, Employment of Relatives~~

~~60.4.2, Code of Ethics for Administrative and Professional Staff Members~~

~~60.5.9, Faculty or Staff Involvement with Commercial Enterprise~~

~~Rutgers Integrated Administrative System Procure to Pay Process (RIAS): Internet Procurement Application User Manual (rias.rutgers.edu)~~

~~SciQuest - Marketplace for RBHS users~~

- University Policy 40.2.12: Gratuities, Guests, Gifts and Use of University Resources
- University Policy 50.1.12: Conflict of Interest for Members of the Board of Governors and Trustees, the Camden Board of Directors, and University Officers
- University Policy 60.1.1: Employment of Relatives
- University Policy 60.4.2: Code of Ethics for Administrative and Professional Staff Members
- University Policy 60.5.9: Faculty or Staff Involvement with Commercial Enterprise – Contracts with the University

5. Definitions

All policies are subject to amendment. Please refer to the Rutgers University Policy Library website (policies.rutgers.edu) for the official, most recent version.

Informal Quotes: Multiple quotations via fax, letter, or email, on supplier letterhead or clearly identified as being sent from supplier.

Preferred Supplier Contracts: Preferred Supplier Contracts are established by **Internal Supplier:** A university unit that provides goods or services to another university unit.

University Procurement Services for the purchase of goods or services, which are either competitively bid or negotiated with suppliers that meet the requirements for sole/single source procurement. These agreements may include State contracts, GSA and other federal supply contracts, and group and cooperative purchasing agreements that the university may utilize. When making a purchase for goods and services contracted with a Preferred Supplier, departments are strongly encouraged to obtain at least three (3) quotes, but do not have to obtain the additional quotations.

Procurement Contract: A legal document agreed to by Rutgers and a supplier on the pricing and terms of a sales transaction or a series of sales transactions— in which the university acquires goods and services.

University Procurement Services Procedure Manual: A manual that outlines the step-by-step activities required to purchase goods and services, to pay for those goods and services, and to be reimbursed for travel and business-related expenses.

Purchase Order: A Rutgers purchase order is a legal document containing a description of the good goods or service requested, and terms and conditions of the transaction including, but not limited to, services to be purchased. It also includes the payment and delivery terms, for the purchase or lease of such goods and/or services.

Quick Order: Quick Order is a type of purchase order, of \$5,000 or less, that does not require the review of University Procurement Services and may be sent directly to the supplier by the department, once department approvals are complete. Quick Orders may only be used to purchase goods. Services cannot be purchased through a Quick Order. A Quick Order cannot be modified by a change order.

Request for Proposal (RFP): Purchasing Thresholds:

Low Value Purchase Range – under \$10,000

Informal Bid Range – \$10,000 - \$149,999

Formal Bid Range – \$150,000 and greater

Sourcing Event: A competitive bid solicitation, generated/initiated by University Procurement Services, used when the requester wants multiple suppliers to describe how they would address a defined project or task, provide a particular commodity or identify, classify and describe the commodity or service that would be provided. Price is usually not the single determining factor in evaluating RFPs.

Request for Quotation (RFQ): A competitive bid solicitation generated by University Procurement Services used when price is the single factor used to select the best source of supply.

Request for Information (RFI): A method for soliciting information which seeks bids and/or proposals from suppliers generated by University Procurement Services and normally used to obtain general information about products, services or suppliers. It is also used when a large or complicated purchase is being considered and the potential pool of suppliers must be pre-qualified. In this case, the RFI is a questionnaire or inquiry into the suppliers' background and used to determine if the supplier meets the minimum standards needed to successfully bid on the project.

Sole Source: Only one supplier is capable of providing a good or service and it is therefore not possible to obtain competitive bids.

~~**Single Source:** Multiple sources of supply are available but, for specific reasons, as outlined in Section IV B below, the good or service should be purchased from a specified supplier.~~

~~**Unauthorized Purchase:** Any purchase by a Rutgers employee, using Rutgers funds, that violates this policy and any related policies and procedures.~~

~~6. The Policy~~

~~PROCUREMENT AUTHORITY AND SIGNING AUTHORITY~~

~~The Rutgers University to provide Board of Governors delegates authority for the procurement of goods and services to the President and Senior Vice President for Finance and Treasurer. The Senior Vice President for Finance and Treasurer designates University Procurement Services as the central purchasing authority for Rutgers, responsible for managing the purchasing process and ensuring compliance with policies and procedures university-wide.~~

~~The Executive Director of University Procurement Services, or his or her designee(s,) is authorized to approve purchase orders. To meet local campus needs, the Director of Purchasing for Rutgers-Newark has delegated authority to approve purchase orders up to \$250,000.~~

~~The Senior Vice President for Finance and Treasurer delegates signature authority for all Procurement Contracts to the Executive Director of University Procurement Services. Procurement Contracts that exceed \$500,000 must be executed by both the Executive Director of University Procurement Services and either the President, Senior Vice President for Finance and Treasurer, the Senior Vice President for Academic Affairs, or the Senior Vice President for Administration. Departments are not authorized to sign Procurement Contracts. All Procurement Contracts must be sent to University Procurement Services for review and signature.~~

~~The Senior Vice President for Finance and Treasurer and the Vice President for Finance and Associate Treasurer, or his or her designee(s) are the only authorized signatories for leases for goods and services for any dollar amount.~~

~~ROLES AND RESPONSIBILITIES~~

~~A. University Procurement Services Responsibilities~~

- ~~• Ensuring and enforcing compliance with all purchasing policies and procedures;~~
- ~~• Approving all Requests for Sole/Single Source and rejecting those that do not meet the sole/single source criteria;~~
- ~~• Negotiating, executing and managing all Procurement Contracts;~~

~~Monitoring all purchases and leases of equipment, goods and/or render services;~~

~~Rejecting any Requisition for any item~~

~~**Supplier:** A person or entity that is in violation of the source of goods and services procured by the university.~~

~~**University-Contracted Supplier.** A supplier that has been solicited through a University Procurement Services-managed competitive process, and with whom the university has an agreement in effect for goods or services. University-contracted suppliers may include those who have various cooperative consortium contracts available to the university, as well as those under contract with the state of New Jersey.~~

~~6. The Policy~~

~~A. Introduction~~

~~To the maximum extent possible, the procurement of goods and services for Rutgers, The State University of New Jersey, will be conducted in an open and competitive environment to ensure that~~

prices paid by Rutgers for those goods and services are fair and reasonable, that procurements for Rutgers follow best in class ethical business practices, and that Rutgers use environmentally and socially responsible materials and products. Procurements of goods and services for Rutgers must conform to the standards identified in this policy which reflect applicable Federal, State, local, and tribal laws and regulations where necessary.

B. Procurement Authority

- **Delegation of Primary Procurement Authority.** The procurement authority of goods and services rests with the Board of Governors. Per this policy, the Board of Governors has delegated procurement authority to the President, who, in turn, has delegated procurement authority to the Executive Vice President for Finance and Administration. Except for the limited delegation of procurement authority, detailed below, the Executive Vice President for Finance and Administration has designated University Procurement Services as the central procurement and payment authority for the university, responsible for managing procurements and payments for goods and services, and ensuring compliance with applicable policies; and procedures. The Associate Vice President and Chief Procurement Officer or his/her designee(s) are authorized to approve and issue purchase orders.

- **Limited Delegation of Procurement Authority.** Limited procurement authority has been delegated to all units for purchases within the low value purchase range, in accordance with the *University Procurement Services Procedures Manual*. In addition, limited procurement authority has been delegated to the units of the university listed below due to their unique purchasing requirements. These units may conduct their own procurement processes for the goods or services listed, however, such procurement processes should comply with the objectives of this policy where applicable.
 - i. Dining Services for food used in the dining operations.
 - ii. Division of Intercollegiate Athletics (New Brunswick) for last minute or emergency hotel or motel accommodations, food and beverage purchases, and car rentals to support team related activities.
 - iii. Any unit (e.g., Zimmerli Art Museum) for art collections and exhibitions consistent with its mission.
 - iv. Institutional Planning and Operations for new construction or renovation projects in excess of \$2 million, engagement of architects and engineers, and real estate purchases.
 - v. Office of General Counsel for legal services.
 - vi. Rutgers Global, only to secure goods or services required for programs conducted in foreign countries.
 - vii. University Libraries for books, periodicals, media and other library materials.
 - viii. Office of University News and Media Relations for printed materials.

- Office of Research and Sponsored Programs for ~~Managing the competitive bid process~~
 - ix. **Department** grant sub-awards.
 - x. Treasury Operations for select treasury functions.

A.C. Unit Responsibilities

All ~~university departments~~ units and employees are required to comply fully with ~~the policies~~ this policy and ~~established procedures related to the~~ University Procurement Services Procedures Manual in connection with the procurement of and payment for goods and services. ~~Departments~~ Units are responsible for ~~the following when purchasing goods and services:~~

- Ensuring that individuals making purchasing decisions are knowledgeable of, and comply with, this policy, the university purchasing University Procurement Services Procedures Manual, and any related policies and procedures;
- Ensuring that all purchases made with university funds are appropriate, necessary, reasonable, and directly related to the goals and mission of the university. ~~Under no circumstances may university~~
- Following all financial resources be used for personal expenditures; controls established by the university that would apply to the unit, and, to the extent university-wide financial controls do not cover a unit's particular procurement and payment activities, establishing and following unit-specific financial controls. Such controls provide reasonable assurance of the effectiveness and efficiency of operations, compliance with laws and regulations, and reliability of financial reporting. Each unit must separate among two or more people the duties of following financial controls.
- Using the appropriate procurement system and mechanism for all purchases of goods and services. ~~University employees are not to purchase goods and services nor commit Rutgers University~~
- Understanding and upholding the university's obligations under any procurement contract or purchase order.
- Understanding and overseeing the supplier's performance in accordance with the terms, conditions, and specifications of their contracts or purchase orders, and notifying University Procurement Services of any significant performance issues.

D. Supplier Management

- **Screening.** All prospective suppliers that may provide goods or services to Rutgers shall be subject to a screening process to determine eligibility as university suppliers as detailed in the University Procurement Services Procedures Manual. Existing suppliers are subject to periodic screening.
- **Required Documents.** Suppliers may not be permitted to conduct business with Rutgers unless the appropriate documentation is submitted as per the University Procurement Services Procedures Manual.
- **Supplier Maintenance.** University Procurement Services shall establish in the University Procurement Services Procedures Manual processes to manage supplier issues, including but not limited to activation, updates, protests, disputes, and claims.
- **Supplier Diversity.** With diversity and social responsibility central to Rutgers' mission, the university is committed to the outreach, development, and inclusion of small, minority-owned and women-owned businesses in the procurement process.

E. Sourcing of Goods and Services

All purchases of goods and services must be conducted in a manner that provides, to the maximum extent possible, competition and adherence to competitive procurement practices. University units that need to purchase goods or services shall first seek the goods or services from an internal supplier and second from a university-contracted supplier. If neither internal suppliers nor university-

contracted suppliers can provide the goods or services, the unit shall use one of the following sourcing methods:

- **Quote.** For goods and services within the low value purchase range (under \$10,000), Rutgers shall obtain a quote from a supplier prior to issuance of a purchase order.
- **Informal Bid.** For goods and services within the informal bid range (at least \$10,000, but less than \$150,000), and as further described in the *University Procurement Services Procedures Manual*, bids or proposals must be obtained from multiple prospective suppliers prior to issuance of a purchase order.
- **Formal Bid.** For goods and services within the formal bid range (\$150,000 or greater), University Procurement Services, working in consultation with the Unit making the purchase, shall conduct a sealed bid or competitive proposal process, as detailed in the *University Procurement Services Procedures Manual*. In addition, Rutgers voluntarily complies with N.J.S.A. 52:15C-10 in reporting certain solicitation documents and/or awarded contracts to the Office of State Controller.
- **Waiver of Bid.** For goods and services above the low value purchase range (\$10,000 or greater), where neither the Informal Bid nor Formal Bid methods are viable, Rutgers may seek a non-competitive procurement with sufficient justification and pursuant to the *University Procurement Services Procedural Manual*. If the total value of the proposed non-competitive procurement is \$1 million or greater, the request for waiver of bid shall be approved by the Board of Governors prior to execution of the proposed contract or issuance of a purchase order.

F. Contracting

- **When to Contract.** As more specifically described in the *University Procurement Services Procedures Manual*, University Procurement Services may establish a procurement contract (beyond a purchase order) if there is a purchasing need and either there will be repetitive purchases of goods or services from the same supplier over a period of time or a contract is necessary to adequately define the goods or services to be provided.
- **Signature Authority.** All procurement contracts will be reviewed by University Procurement Services and executed in accordance with the university's Signatory Authority Policy (50.13.3). The university is not bound by, and does not recognize as binding, any promise or obligation made by a person not authorized by this policy or other relevant policy to bind the university.

G. Ordering Goods and Services

The primary method to legally memorialize procurement of goods or services at Rutgers is a purchase order. The process to obtain a purchase order is initiated in the e-procurement system by submission of a requisition and approval of the same, in accordance with procedures set forth in the *University Procurement Services Procedures Manual*. Goods cannot be ordered and services cannot be rendered prior to the issuance of a purchase order. A purchase order must be issued prior to the goods being ordered or services being rendered, except for alternate methods described in the *University Procurement Services Procedures Manual*.

H. Receiving

Suppliers may only deliver goods, or provide services to either a university address or other university-approved location. Circumstances where a unit must create a formal receipt are set forth in the *University Procurement Services Procedures Manual*.

I. Invoicing

University Procurement Services is responsible for processing the payments for goods and services to suppliers in compliance with university policies and standard processes, external regulations and legal requirements. Suppliers must send invoices directly to the Accounts Payable location as directed in the applicable purchase order. Invoice approvals are required in accordance with procedures set forth in the *University Procurement Services Procedures Manual*. When a university unit approves an invoice or payment, the unit is attesting that it has received the goods or services; that the payment amount is correct; that the payment should be made; and that the payment is business appropriate.

J. Payment

- **Methods of Payment.** University Procurement Services shall facilitate approved payments to suppliers, for goods provided or services rendered, through various mechanisms, including, but not limited to: checks; electronic payments (ACH); wire transfers; journal entries and Purchasing Cards (PCard). Payments shall be processed in accordance with procedures set forth in the *University Procurement Services Procedures Manual*.
- **Taxes.** University procurements are not subject to New Jersey sales and use taxes when used for educational and charitable purposes. Certain other states also honor this or have an equivalent rule.

K. Records Maintenance

- **Records Retention.** Rutgers must maintain records sufficient to detail the history of procurements. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, supplier selection or rejection, and the basis for the contract price. When purchasing with sponsored funds, the retention requirements may be longer than Rutgers' standard records retention policy.
- **Open Public Records Act.** Rutgers is committed to working with the State of New Jersey to promote a transparent process. Rutgers procurements are subject to the Open Public Records Act.
- **Audits.** All university procurement transactions, including supporting documentation, are subject to audit for compliance with university policies and regulations. In the case of federally funded programs or projects, there may be times when a federal granting agency (or other entity) wishes to review documentation related to the procurement transaction, including but not limited to solicitation documents, bid waiver justifications, and contracts.

L. Ethical Conduct

Care must be taken to avoid the intent and appearance of unethical practice in relationships, actions, and communications. All procurement activities conducted on behalf of the university must be in compliance with the standards outlined in federal, state and local laws; university policies; and the *University Procurement Services Procedures Manual*. University Procurement Services may require individuals involved in supplier proposal evaluations, or contract activities, to sign confidentiality agreements and/or conflict of interest disclosures.

- **Confidentiality.** University employees must handle confidential or proprietary information with due care and proper consideration of ethical and legal ramifications and governmental regulations. University employees may not tell outside parties the prices, terms, or conditions quoted by other suppliers.
- **Individual Conflicts of Interest.** The university is particularly diligent before entering into procurement contracts with its employees, their family members or any other individual who would be perceived as having a potential conflict. Situations in which a supplier affiliated with a university employee is seeking a contract with the university to provide the same or similar services that the employee provides in his or her position as a university employee require

special attention because of the high risk of a conflict. University employees should not make purchasing decisions or otherwise influence the university's decisions to do business with any supplier affiliated with the university employee, a relative of the university employee, or any other individual who would be perceived to have a potential conflict, including participation in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest.

- **Organizational Conflicts of Interest.** Rutgers will avoid organizational conflicts of interest wherever possible. Organizational conflicts of interest mean that because of relationships with an affiliate or subsidiary organization, Rutgers is unable, or appears to be unable, to be impartial in conducting a procurement action involving a related organization.

- ~~**Unauthorized Purchases.** University employees shall not purchase of goods and/or services, nor commit Rutgers to the purchase of goods or services, without processing the procurement request through an approved University Procurement Services process. Procurements that bypass University Procurement Services may expose Rutgers and the requesting department, school or unit to unnecessary liability and legal costs. Procurements, unless specifically exempted, that bypass University Purchasing/Procurement Services will not be processed by University Procurement Services unless good cause is demonstrated. University employees who make an unauthorized purchase may have their purchasing responsibilities suspended or revoked, may face additional disciplinary action, and may be held personally liable for any charges incurred.~~

A university employee who makes

~~B. Limited Delegation of Purchasing Authority~~

~~Limited purchasing authority is delegated to the following departments, divisions or units of the university because of their unique purchasing requirements:~~

~~University departments for purchases up to \$5,000 in accordance with section III.B (Quick Orders) below~~

- ~~Dining Services for food used in the dining operations~~
- ~~Division of Intercollegiate Athletics-New Brunswick for last minute/emergency hotel, motel, food and beverage, and car rental for team related activities~~
 - ~~Zimmerli Art Museum for art collections and exhibitions~~
 - ~~Office of University Facilities and Capital Planning for major renovation projects of \$2M or more, new construction, selection of architects, and real estate purchases~~
- ~~Office of the Senior Vice President and General Counsel for legal services~~
 - ~~Study Abroad program only for goods and services required during programs conducted in foreign countries~~
- ~~University Libraries for books, periodicals, media and other library materials~~
- ~~University Relations for printed matter~~
- ~~Office of Research and Sponsored Programs for sub-awards~~

~~These departments shall undertake their purchasing activities in accordance with the established procedures approved by the Executive Director of Procurement Services~~

THE PURCHASING PROCESS

~~A. Competitive Bidding~~

~~Purchasing will be conducted in a manner that provides, to the maximum extent possible, competition and adherence to competitive procurement practices. The university, at its sole discretion, may use one of a variety of methods of soliciting information and pricing from a supplier to promote a competitive procurement environment. These may include Informal Quotes, Requests for Proposals or Requests for Information.~~

~~Rutgers' commitment to the competitive purchasing process is as follows:~~

~~**For goods and services \$50,000 and above:** University Procurement Services will seek formal competition between multiple suppliers. Departments must contact University Procurement Services to initiate this process.~~

~~**For goods and services between \$5,001 and \$49,999:** University Procurement Services or a department will obtain at least three quotes in writing from competitive firms. When obtaining quotes, the departments must supply the vendors with the same requirements and specifications and obtain the required quotes within the same time period. (i.e. within the same month.)~~

~~**For goods below \$5,000:** Departments may generally obtain a quote and purchase directly from a supplier.~~

~~B. Request for Sole/Single Source Procurement~~

~~There are circumstances when the competitive procurement may not be possible and a request for sole/single source procurement may be made. Below are the justifications for a sole/single source procurement:~~

~~Sole Source Procurements:~~

- ~~• Goods or services can only be provided by one supplier.~~
- ~~• Technical services to assemble, install or service equipment provided there is not more than one service provider and the work by the provider does not impact any warranty on the equipment.~~
- ~~• Repair or maintenance provided by the manufacturer or the authorized dealer/provider unless there is more than one service provider available to provide the service and there is no impact on any warranty.~~
- ~~• Technical services for installing, servicing, supporting, upgrading proprietary software or hardware.~~
- ~~• Upgrade for proprietary software or hardware use of supplier required by contract, grant or governmental unit.~~
- ~~• Change order requests not covered under existing contract where current supplier is best positioned based on skill, knowledge, familiarity with the project and cost savings to provide the extra work. The cost of such extra work shall not exceed 20 % of the present contract amount.~~

~~Single Source Procurements~~

- ~~• Favorable Terms: Goods or services can be obtained at the lowest price through a primary source of supply. Depending on the circumstances, it could be manufacturer and/or authorized distributor of the goods this provision is a variation of sole source. There is one product but options on supply. For example Oracle licenses. You can buy from Oracle or one of its distributors.~~
- ~~• Purchase of used or demonstration equipment at cost lower than new equipment.~~
- ~~• Standardization: Equipment must be compatible with existing equipment. Standardizing on equipment is necessary to assure interchangeability of parts. Department has already standardized its practices and work processes around a brand of equipment. Staff has already been trained on the equipment and is familiar with its operation. Going with another brand of equipment would severely disrupt/interrupt work processes and practices and would require significant training cost and time for staff to become familiar and knowledgeable with working with new equipment. Research has progressed with the use of a particular brand or type of reagent, assay or equipment and significant time and cost has been invested in the research that is the research project is substantially started. Change out would impact research results to date causing research to begin anew.~~
- ~~• Public Exigency: Life, safety or health of the public must be sustained through the immediate delivery of products or performance of services. Procurement is limited to the duration to address/remedy the exigency. A critical agency mandate, statutory or operational requirement must be fulfilled immediately. The Executive Director may authorize the commencement of work~~

by the supplier to address/remedy the exigency. In such cases, Purchasing Services will notify the supplier to begin work with the understanding that the supplier cannot be paid until the sole/single source package has been reviewed and approved and a purchase order has been issued to the supplier.

- ~~Pilot project, trial or experiment: Department wishes to test or experiment with new equipment or service. Requires execution of a product/service trial agreement before start of trial, pilot project or experiment.~~
- ~~Lease of space, machinery, equipment, buildings or real property as required to conduct the business of the university.~~
- ~~Contract with public entity or governmental unit: Department must set forth the reason(s) for contracting with public entity or governmental unit~~
- ~~Administrative extension of current contract: Application to extend a contract must be made at least forty five (45) days before contract expiration. Department must present reasons(s) for extension including the inability to rebid before the contract expiration, and plan and timeline for rebid of the contract. Administrative extensions are only granted for a period of one (1) year or less. Administrative extensions are only granted by the Executive Director of University Procurement Services. Requests filed less than 45 days before the expiration of the contract may be rejected by the Executive Director. The requesting department will have to demonstrate unique circumstances and/or facts to justify the late filing.~~
- ~~Failed bid: Competitive bids were solicited and no responsive bid was received or only a single responsive bid was received and rejected for budgetary reasons. This request may only be filed by Purchasing Services~~
- ~~Professional and Technical Services: The procurement of professional and technical services should be conducted through a competitive bid process unless the requesting department, school or unit can demonstrate that such services, due to unique or special circumstances, can't be procured through a competitive bid process.~~

~~A request for sole/single source procurement" will be considered in limited circumstances and when the Department has demonstrated appropriate justification. Requests must be submitted pursuant to the Request for Sole/Single Source Procurement Procedures.~~

~~For purchases valued at \$1 million dollars or more, the contract and completed Request for Sole/Single Source Procurement form must be reviewed and approved by the Board of Governors in accordance with Policy 20.1.16, Policy on Notification and Approval of Certain Contracts Awarded without Competitive Bids or Proposals.~~

C. Preferred Supplier Contracts

- ~~Preferred Supplier Contracts are established by University Procurement Services for the purchase of goods or services, which are either competitively bid or negotiated with suppliers that meet the requirements for sole/single source procurement. These agreements may include State contracts, GSA or other federal supply contracts, group and cooperative purchasing agreements that the university may utilize. When making a purchase for goods and services, departments should use Preferred Supplier Contracts as their first choice. Departments are strongly encouraged to obtain at least three (3) quotes, but do not have to obtain additional quotations or employ the competitive bid process when a Preferred Supplier Contract is utilized.~~

D. Unauthorized Purchases

- ~~University employees who make an unauthorized purchase may have their purchasing responsibilities suspended or revoked, may face additional disciplinary action, and may be held personally liable for any charges incurred.~~

M. Inquiries

All policies are subject to amendment. Please refer to the Rutgers University Policy Library website (policies.rutgers.edu) for the official, most recent version.

For **PURCHASING MECHANISMS**

University departments may use several mechanisms to facilitate the purchase of goods and services. Departments must determine which of the following mechanisms must be utilized for their desired purchase:

A. **Purchase Orders**

A purchase order **must be issued prior** to the goods being shipped or services being rendered and is initiated by a department with a requisition and processed by University details regarding this Procurement Services.

- i. Purchase Orders are used for items prohibited on a Quick Order, items not available through the Exchange or with an Internal Supplier, and for purchases in value of \$5,001 or more and Payment Policy and the -

Rutgers requires that certain purchases must be made by, or in consultation with, the departments listed below. Departments must contact the appropriate department listed below to coordinate their purchase:

- Advertising (Contact University Relations)
- Alterations, repairs and renovation services (Contact University Facilities)
- Asbestos abatement services (Contact Rutgers Environmental Health and Safety or REHS)
- Biological agents (Contact REHS)
- Controlled substances (Contact REHS)
- Firearms and ammunition (Contact Public Safety)
- Fundraising (Contact the Rutgers University Foundation)
- Hazardous waste disposal (Contact REHS)
- Imported Items (Contact University Procurement Services)
- Inspection or service of fire suppression systems (Contact Public Safety)
- Investment advisors and other financial consultants (Contact Treasury Operations)
- Insurance (Contact the Department of Risk Management)
- Legal services (Contact the Office of the Senior Vice President and General Counsel)
- Lobbyist services (Contact the Office of the Senior Vice President for External Affairs)
- Particularly hazardous chemical substances (Contact REHS)
- Radioactive materials (Contact REHS)
- Real Estate Leases (Contact the Office of Real Estate)
- Select agents and toxins (Contact REHS)
- Signage affixed to university property (Contact University Facilities)
- University "branded" communications, printed matter, electronic media, and other materials and merchandise (Contact University Relations)

B. **Quick Orders**

The university authorizes departments to make purchases up to \$5,000 for most goods through the use of a Quick Order. Departments must obtain maximum value for each purchase and comply with the university's ethical standards when obtaining price quotations. Departments must also maintain all documentation related to quick order transactions including the supplier quote or additional quotes obtained during the process. A Quick Order cannot be modified through a change order.

Departments **cannot** split a single purchase costing \$5,001 or more into a series of smaller individual purchases to bypass the Quick Order threshold.

Quick orders cannot be used to purchase the following:

- Animals
- Biological agents
- Blanket Orders
- Controlled substances
- Equipment requiring utilities hook-up
- Furniture, carpeting, and window treatments

- ~~Hazardous waste disposal~~
- ~~Imported equipment requiring customs clearance~~
- ~~Leases~~
- ~~Legal Services~~
- ~~Lobbyists~~
- ~~Plaques to be affixed on buildings or university-owned property and monuments~~
- ~~Prepayments~~
- ~~Professional services~~
- ~~Radioactive materials~~
- ~~Select agents and toxins~~

~~C. Exchange Orders/Marketplace Orders~~

~~An exchange order is a type of purchase order that is used within the RU Oracle Exchange market place with a Preferred Supplier. A Marketplace order is the same type of purchase order located in the SciQuest system. The department is able to shop an on-line catalog of products and check-out with a purchase order that is sent directly to the supplier, after the appropriate department approvals.~~

~~D. Internal Purchase Orders~~

~~An internal purchase order is used to procure goods and services from an internal university service unit (e.g., Dining Services, Facilities Maintenance Services, Continuing Studies Conference, and Material Services) within RIAS. A complete list of active internal suppliers is available at <http://www.rci.rutgers.edu/~rias/IPOSuppliers.htm>. Departments must contact the internal department directly to determine the required type of requisition.~~

~~E. Travel and Business Expenses (TABERS)~~

~~The university will reimburse individuals for reasonable, necessary, appropriate, and approved travel and business expenses incurred in the performance of university business in accordance with university policy 40.4.1, Travel, Travel Incidentals, and Meal Expense Policy.~~

~~F. Check Requests~~

~~A Check Request is generated through RIAS by a university department and is an official request to University Accounting to process and issue payment to a supplier. It is used to initiate payment for goods or services that do not require a university purchase order. Check Requests must be accompanied by supporting documentation and an explanation of all charges. For a current list of the types of payments allowed to be processed on a Check Request *Procedures Manual*, please see: <http://ua.rutgers.edu/accounts-payable/non-purchase-order-invoice-processing>. Under the check request section, click on the PDF link when to use a check request.~~

~~CONFLICT OF INTEREST AND ETHICS~~

~~All individuals shall act in accordance with the standards of professional ethics set forth in university policies and procedures, including those outlined below.~~

~~A. Use of Companies Owned by Rutgers Employees~~

~~The university will not buy goods or services from suppliers that are wholly or partially owned by university employees or their immediate family members (excluding minimal equity/interests, such as stock holdings of 10% or less), unless selected through a competitively bid process managed by University Procurement Services and the supplier is not providing services to the family members department. The Senior Vice President for Finance and Treasurer must approve all such purchases.~~

~~B. Prohibition on Gifts and Gratuities~~

~~Employees shall not accept or solicit any fees, duties, gifts or favors, business meals, or anything else of value from any current or prospective supplier.~~

~~C. Personal Purchases~~

~~University funds must not be used for personal purchases for university faculty, staff or students at any time. Similarly, a department may not place an order for an individual employee or student and then have those individuals reimburse the department.~~

CONTRACT MANAGEMENT

~~University the University Procurement Services website, email University Procurement Services is responsible for management of all at procure@finance.rutgers.edu, or call the University Procurement Contracts. University Procurement Services will work collaboratively with the Requesting Department to develop a contract scope of work that aligns with the Requesting Department's objectives and provides suppliers with a clear understanding of Rutgers contracting requirements.~~

SUPPLIER DIVERSITY PROGRAM

~~Rutgers is committed to the outreach, development, and inclusion of small, minority and women-owned businesses (M/WBE) in the procurement process. Departments are expected to support this policy in accordance with established guidelines and procedures.~~

SUSTAINABLE ("GREEN") PURCHASING

~~Rutgers is committed to the use and purchase of environmentally and socially responsible materials and products. Departments are expected to support this policy in accordance with established guidelines and procedures.~~

OPEN PUBLIC RECORDS ACT AND COMPLIANCE WITH STATE CONTROLLER REPORTING REQUIREMENTS

~~Rutgers is committed to working with the State of New Jersey to promote a transparent process. Rutgers procurement is subject to the Services Help Desk at 848-932-4375. **Open Public Records Act.** In addition, Rutgers complies with N.J.S.A. 52:15C-10 in reporting competitive bids of \$10 million or more and contracts of \$2 million or more to the Office of the State Comptroller.~~

INSURANCES AND TAXES

A. Insurance

~~Rutgers requires that all suppliers who conduct operations on university premises provide evidence of having appropriate insurance coverage in the form of a valid Certificate of Insurance as determined by University Procurement Services and/or the Department of Risk Management and Insurance.~~

B. Taxes

~~University purchases are exempt from the payment of New Jersey sales and use tax. Several other states also allow this exemption. A list of those states is available at <http://uco.rutgers.edu/sites/uco/files/Sales%20Tax%20Exemption%20Status%20by%20State%20-%202014%2009-29.pdf>.~~

AUDITS

~~All university purchasing transactions, including Quick Orders, as well as all supporting documentation (e.g., Requests for Sole/Single Source Procurement, contracts, agreements, memos, letters, notes, etc.) are subject to audit from internal and external auditors and regulating agencies for compliance with university policies and regulations.~~

~~Rutgers has delayed the implementation of the Uniform Guidance Procurement Standards until July 1, 2016 as provided by the waiver of the procurement rules stated in COFAR FAQ, Section 110-6, released November 26, 2014. In the interim, the OMB Circulars will apply to purchases made with grant funding~~