Policy 3032 (S) Procurements is a Community Solution Education System administrative policy that University of Western States has adopted.

UWS is a member of The Community Solution Education System (The System), an integrated nonprofit system of six colleges and universities working together to advance student success and community impact. Through a centralized infrastructure and distinct model of governance, universities within The System work together to achieve success in an ever-changing higher education landscape.

The System administrative policies, denoted with an (S) after the UWS policy number, are governing principles that serve to mandate or constrain action System-wide, and many apply to every affiliate. These policies help employees ensure compliance with applicable laws and regulations, enhance the System's mission, promote operational efficiencies, and/or reduce institutional risk.

Administrative policies intended to apply System-wide must undergo each affiliate's individual approval process. Revision to existing or development of new administrative policies must follow the approval process outlined by the System.

To read the full policy scroll to page 2.

1. POLICY STATEMENT

It is the policy of TCS Education System (System Office) to procure all necessary goods and services in a manner that is cost-effective, prudent, consistent, and compliant with regulatory standards. With the System Office's diverse and decentralized operations, it is appropriate to establish an overarching policy to guide procurement transactions. This policy promotes a Procure to Pay environment based on the understanding that employees are in the best position to determine what they need to run their programs. This policy is meant to support an environment that puts employees in the best possible position to get the products and services they need in a timely and cost-effective manner, while ensuring appropriate business processes are followed. This policy addresses competitive bidding, supplier selection and approval, issuance of purchasing approval, purchasing methods, required documentation and ethical practices.

2. PURPOSE

Considerable authority has been delegated to employees charged with making purchasing decisions. This requires that employees involved at every step of the purchasing process take full responsibility for understanding the System Office's policies and procedures regarding purchasing and supplier relations. Purchasing decisions are business decisions made on behalf of System Office and therefore should be made with the utmost consideration for what is in the best interest of System Office. Purchases also need to be made in the most efficient and cost-effective manner. This policy is intended to provide the requirements and framework to end users making purchases on behalf of the System Office.

3. APPLICABILITY

This policy is applicable to all procurement that occurs at the System Office.

4. DEFINITIONS

- Invitation to Bid – A written solicitation for competitive sealed bids including the goods or services.
- Micro Purchase – An acquisition of goods or services using the aggregate amount of which does not exceed the micro-purchase threshold. The micro-purchase threshold is $10,000.00
- Non- Sponsored Funds – All funds not defined as Sponsored Funds**.**
- OMB Uniform Guidance 2 CRF 200 – The Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost principles and Audit Requirements for Federal Awards, implemented to streamline and define requirements for the use of federal monies. Uniform Administrative

Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR-200).

- Procure to Pay – The process of requisitioning, purchasing, paying for and accounting for goods and services.
- Qualified Sources - Qualified source or "qualified supplier" means a supplier who has the abilities, qualities, attributes, etc., necessary to perform the work required or furnish the items or services solicited.
- Requisitioner – An employee responsible for initiation of the purchasing process
- Supplier/Vendor – A person or firm who sells goods or services to the System Office.
- Sponsored Funds – Funds received from sources outside the System Office for which there may be specific requirements with respect to the manner in which the funds are spent. Sponsored Funds can include grant funds received from local, state or federal agencies and funds received from private donors.

5. PROCEDURES

5.1. General Principles

System Office's objective for every purchasing transaction is to attain the best value possible. Best value is determined by evaluating many factors (price, delivery capabilities, quality, past performance, service capabilities, ease of ordering, payment terms, etc.) As set forth in this policy, certain purchasing transactions require competitive bids. The System Office's procurement policy is intended to be consistent with the procurement requirements set forth in federal regulations codified in 2 CFR 200.

System Office strives to procure most goods and services using contracts with appropriate terms and conditions to properly protect the department, System Office and supplier. When bids are required by policy, they are to be conducted on an open and competitive basis and without favoritism, in order to obtain the best value to System Office. Interested suppliers will receive fair and impartial consideration.

When a purchase is initiated, System Office funds are being committed and the Requisitioner is assuring System Office that:

- A legitimate System Office need for the purchase has been identified.
- Sponsored funds procurement requirements have been met when required.
- System Office's *Conflict of Interest Policy* and System Office *Code of Ethics and Professional Conduct Policy* have been complied with

- Purchases have been competitively bid or negotiated, when prudent or required.
- Suppliers are dealt with in a professional manner, consistent with good business practices
- Purchases will be inspected upon receipt
- Documentation requirements to support the purchase have been met and all purchases have been approved in Workday.

5.2. Ethical Standards

It is the policy of the System Office that its employees conduct the affairs of the System Office in accordance with the highest ethical, legal and moral standards. Purchasing decisions should be made free from any actual, potential or perceived conflicts of interest. Conflicts of interest may lead to noncompetitive practices among suppliers that may restrict or eliminate competition or otherwise restrain trade. An employee must not be in a position to make a decision for the System office if their personal, professional or economic interests (or those of their immediate and extended family members) may be directly influenced or affected by the outcome.

System Office employees shall not solicit or accept, directly or indirectly, gratuities or favors valued above $50 from suppliers or parties to purchasing agreements. System Office employees shall never accept cash of any amount from any supplier or party to purchasing agreements. Gifts valued at $50 or less maybe accepted with the approval of the employee's manager. If there is any doubt as to the propriety of the gift or activity, then it should be rejected as contrary to policy. Violations of the *Conflict of Interest Policy* or this *Procurement Policy* will result in corrective action up to and including termination.

5.3. Methods of Procurement

There are several methods of procurement at System Office, the most commonly used methods are listed below:

- **System Office P-Card –** The System Office AMEX P-card program provides an efficient way to purchase low-dollar business-related goods and services (up to $500 threshold per transaction). For more information, see the System Office *Credit Card Policy (Procurement Cards).*
- **System Office Travel Card –** The System Office travel card provides an effective way to make purchases related to approved business travel including plane tickets, hotel accommodations, business meals, local transportation, etc. For more information, see the System Office *Credit Card Policy (Travel Cards).*

- **Workday Procurement –** Workday provides an automated electronic business process that provides for required approvals based on dollar limits. By utilizing this purchasing method, the requisitioner can request purchasing authority of any dollar amount and the automated workflow in Workday will issue a purchase order after proper approvals are secured.

5.4. Competitive Bidding Requirements

This section sets forth the dollar thresholds that trigger competitive bidding requirements and describes those requirements for (1) purchases using non-sponsored funds, and (2) purchases using sponsored funds. All thresholds for sponsored funds are subject to change based on a case-by-case basis based on the terms of the grant award notification or equivalent agreement.

- **Purchases Using non-Sponsored Funds -** For purchases less than or equal to $249,999, departments should use good judgment in identifying potential suppliers.

  Purchases of $250,000 or above require a minimum of two bids (three preferred) from qualified sources. A summary of bid results must be attached to the requisition. If there are limited sources of supply, purchases may be approved without two or more bids.

  The following chart summarizes the dollar thresholds and associated bidding requirements for purchases using non –sponsored funds:

$ Level	Responsible Party	Requirements
$0 - $249,999	Requistioner	Bidding from qualified sources is recommended but not required if price is reasonable
$250,000 and above	Requistioner	Bidding from an adequate number (2 or more) of qualified sources is required unless there is sufficient non-competitive justification

- **Purchases Using Sponsored Funds -** Purchases using sponsored funds must be made in accordance with OMB's Uniform Guidance, 2 CRF 200, which requires:
  - Basis for supplier selection
  - Justification for selected or non-competitive purchases, and
  - Basis for the price of purchase

Written documentation is not required for transactions under $9,999 as long as the transaction is deemed reasonable. Verification of the reasonableness of a price may be accomplished by comparing it to previous purchases, having personal knowledge of the item being purchased, or comparing the price for the item to the price of similar items purchased. To the extent practicable, purchases must be distributed equitably among qualified suppliers with reasonable prices.

Purchases between $10,000 and $249,999 require a minimum of two bids (three preferred) from qualified sources. A summary of bid results must be attached to the requisition. If there are limited sources of supply, purchases may be approved without two or more bids.

For purchases in excess of $250,000, the current Simplified Acquisition Threshold level defined by the OMB Uniform Guidance, 2 CFR 200, the Requisitioner must complete a price analysis and conduct a sealed, public, competitive bidding process with at least two bids obtained and analyzed. All documentation – price analysis, bids and a summary of bid results - must be attached to the requisition.

For purchases over $25,000, any supplier debarred or suspended by the federal government is not permitted to do business with the federal government, under government contracts or subcontracts, and the System Office may not contract with such suppliers unless an exception is granted in writing by a government contracting officer.

The Requistioner is responsible for verifying that potential suppliers are not on the government's list of debarred or suspended suppliers (http://sam.gov/).

The following chart summarizes the dollar thresholds and associated bidding requirements for purchases using sponsored funds:

$ Level	Responsible Party	Requirements
$0 - $9,999	Requistioner	Bidding from qualified sources is recommended but not required if price is reasonable
$10,000 to $249,999	Requistioner	Bidding from an adequate number (2 or more) of qualified sources is required unless there is sufficient non-competitive justification
$250,000 and above	Requistioner	An advertised, public, sealed solicitation from an adequate (2 or

	more) of qualified sources is required

- **Soliciation Requirements –** The soliciation should include:
    - a clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition
    - requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals
    - a description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards
    - an estimate of the timing for the product or service to be procured
    - the specific features of “brand name or equal” descriptions that bidders are required to meet when such items are included in the solicitation
    - the acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement
    - preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
- **Non-competitive Proposals –** Soliciation of a proposal from only one source is allowed when one or more of the following circumstances apply:
    - The item is available only from a singel source
    - The public exigency or emergency for the requirement will not permit a delay resulting from competitive soliciation
    - The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity
    - After soliciation of a number of sources, competition is determined inadequate

5.5. Small Business, Minority Owned Firms and Women’s Business Enterprises

For federally-sponsored projects (at a minimum), positive efforts shall be made by System Office to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible. During the solicitation period, the Requisitioner shall make information available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises. The solicitation shall consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises. Further, solicitation should encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually. The Controller, Senior Director, Accounting or Director of Accounting may need to contact the Small Business Administration and/or the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises

5.6. Contract Development

The type of procurring instruments used (e.g., fixed price contracts, cost reimbursable contracts, purchase orders, and incentive contracts) shall be determined by the Controller or Senior Director, Accounting or Director of Accounting and reviewed by the Office of General Counsel (as applicable), and shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved. The “cost-plus-a-percentage-of-cost” or “percentage of construction cost” methods of contracting shall not be used.

Contracts shall be made only with responsible suppliers who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as supplier integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

In addition to provisions to define a sound and complete agreement, contracts for Federal Awards must comply with the requirements in 2 CFR Appendix II to Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards. Bonding requirements are defined here - 2 CFR 200.326 and are only applicable to federally sponsored funds.

Please see the Office of General Counsel (OGC) Contract Resources Page for System Office contract review requirements including the Contract Review Request Form and Guidance on Contract Review.

5.7. Documentation Requirements for Competitive Bids (Transactions $250,000 and Up for Non-Sponsored Funds and $10,000 and up for Sponsored Funds)

The Controller or Senior Director, Accounting or Director of Accounting shall document procurement procedures, such as requests for proposals or invitations for bids, etc. Questions on documentation requirements should be directed to the Controller or Senior Director, Accounting or Director of Accounting. Procurement records and files for purchases requiring competitive bids shall include the following at a minimum:

- Basis for supplier selection,
- Justification for lack of competition when competitive bids or offers are not obtained,
- Basis for award cost or price
- Evaluation of supplier performance.

Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices, etc.

For federally-sponsored projects, the documentation should be shared with Grants Accounting in all of the following conditions:

- The procurement standards dictated by the awarding agency differ from institutional policies.
- The procurement is expected to exceed the $10,000 threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation.
- The procurement, which is expected to exceed the small purchase threshold, specifies a “brand name” product.
- A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the small purchase threshold.
- A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the small purchase threshold.

OPTIONAL SECTIONS

6. RELATED DOCUMENTS

- ***Conflict of Interest Policy***
- ***Code of Ethics and Professional Conduct***
- ***Credit Card Policy (Travel Cards)***
- ***Credit Card Policy (Procurement Cards)***
- ***Workday Procurement Manual***

7. CONTACTS

- Deborah Ziolkowski, Senior Director, Accounting, TCS Education System
- Greg Beno, Vice President, Finance & Controller, TCS Education System