Temple University Purchasing Services Policies and Procedures

Policy Summary

This summary defines the authority for and various types and methods of procuring goods and services as well as the disposal of University property.

By delegation of the President, the Chief Operating Officer is responsible for the purchasing functions of the University. The Chief Operating Officer has designated the Senior Director of Purchasing Services as the person responsible for the procurement of goods and services by the University. Therefore, Purchasing Services has authority to assist and provide guidance to all University schools, colleges, and units in the acquisition of goods and services in accordance with University policies.

Only persons designated in writing by the Chief Operating Officer are authorized to commit the University to the purchase of goods and services; any expressed or implied commitment by other persons is unauthorized.

The Chief Operating Officer reserves the right to review any acquisitions, commitments, and/or contracts for all procurement centers.

Purchases of goods and services must be made in accordance with University procurement policies.

Responsibility

The Senior Director of Purchasing Services has the responsibility of maintaining a uniform set of procedures and forms to implement the bid, proposal, and quotation processes of the University. Purchasing Services will make forms and detailed procedural requirements available online for reference and use by the University community.

Schools, colleges, and units are responsible for communicating their requirements to Purchasing Services by submission of a purchase requisition and/or a request for bid that includes detailed specifications and/or requirements.

Schools, colleges, and units are required to adhere to University policies when utilizing sources other than Purchasing Services for the acquisition of goods and services.

Procedures

Section 1: General Requirements

Purchases up to $5,000

An individual school/college/unit may make non-recurring small dollar ($5,000 or less) purchases of goods directly from a supplier by utilizing the Temple Purchasing Card Program as explained below or through the Accounts Payable Check Request process.

Use of TUmarketplace Purchase Requisitions

Requests for products or services in $5,000.01 and up shall be submitted to Purchasing Services utilizing a properly executed electronic TUmarketplace purchase requisition (PR). Products can be ordered utilizing the contracted catalog vendors. If a product is unavailable through a catalog, the non-catalog requisition should be utilized. Additional information such as suggested vendors, **approved** sole source justification, or approved Capital Expenditure Request forms (CERs) should be attached to the requisition. Purchasing Services will prepare the appropriate form of solicitation when reviewing the requisition request and/or detailed specifications that were submitted. When required, Purchasing Services will contact the requesting school/college/unit for review of responses received and finalization of award.

Solicitation of Bids

Purchases shall be made through a competitive solicitation process whenever feasible. Purchasing Services maintains a qualified vendor database and shall provide assistance in obtaining additional qualified vendors. Purchasing Services, working in conjunction with the requesting department, will complete a competitive solicitation process, which entails soliciting a minimum of three vendors when circumstances preclude the inclusion of a greater number. When selecting vendors for inclusion in the solicitation process, the University's affirmative action goals of including disadvantaged and/or community-based businesses should be considered. Other considerations include but are not limited to the vendor's qualifications, past experience, references, and ability to fulfill the requirements of the solicitation. Solicitations shall be simultaneously released to all selected vendors on a specified release date.

Sole Source Purchases

When submitting a TUmarketplace request that qualifies as a sole source purchase, an **approved** sole source procurement justification is required. This justification can be submitted for approval via a pre-approval request. Once approved, the pre-approval and sole source justification must be attached to the requisition. The sole source documentation must state the steps taken to determine the sole source status. If the item is a capital expenditure and requires a CER, the sole source explanations should have been communicated when submitting the CER for approval.

The determination as to whether the procurement shall be made as a sole source shall be

made by the buyer. The Senior Director of Purchasing Services has final approval when necessary. When a sole source transaction exists, the competitive solicitation process is not utilized. The sole source supplier is required, however, to submit its proposal or quotation in writing.

For more information regarding sole source purchases and pre-approval requests, see their respective links under "Procedures," located in the Purchasing Services section of the Budget and Finance tab in TUportal.

Criteria for use of sole source justification:

- The requested product is an integral part or accessory to existing equipment.
- The service requested is for existing equipment, which can only be completed by the original manufacturer, or a manufacturer's designated service provider.
- The requested product or service has unique design, performance, and/or quality specifications that are essential to a particular research protocol or teaching needs and are not available in comparable products or services.
- The requested product or service is essential in maintaining research continuity.
- The requested service requires a supplier that can demonstrate unique skills or expertise.
- Only one supplier is capable of providing supplies, services, or construction.
- Emergency: The good or services are needed to correct or prevent an emergency health, environmental, or safety hazard; special or time sensitive events; and/or emergency repair or replacement of existing equipment essential for daily operations.
- The selected hotel, event location, or conference space is either best value choice for the dates selected or the most convenient location.
- The selected caterer is either the best value available or one of the exclusive caterers for an event location.

Contract Approval Form (formerly Financial Impact Statement)

The Contract Approval Request form in TUmarketplace has replaced the paper Financial Impact Statement (FIS) form.

Accessibility

Any information and technology at the University must be compliant with Sections 504 and 508 of the Rehabilitation Act of 1973, as amended; the Americans with Disabilities Act of 1990, as amended; and other related local, state, and federal laws; as well as other related University policies. Information and technology includes, but is not limited to, computers and ancillary equipment, instructional materials, software, videos, multimedia, telecommunications, and web-based content or products. These requirements apply to all information and technology developed, procured, or maintained by the University or used in carrying out University activities. The Accessible Technology Compliance Committee may grant exceptions to this policy under circumstances including, but not limited to, undue hardship or if a reasonable accommodation can provide appropriate access.

Information and technology purchases must receive pre-approval via the pre-approval

request process. See the "Pre-Approval Requests" link under "Procedures," located in the Purchasing Services section of the Budget and Finance tab in TUportal.

University-Wide Contracts

Individual areas should be aware of the existing University-wide contracts. Some contracts will allow for direct order placement by the individual or provide online ordering ability to individuals for direct order placement.

Use of Contracts and Purchase Orders

- ***Execution.*** Purchase transactions must be executed on contract or purchase order forms reviewed and approved by University Counsel. Except as permitted expressly by this policy, all contracts or purchase orders must be executed by the Chief Financial Officer, the Senior Director of Purchasing, or such other University official as may be designated by the President. Purchasing Services will forward the contract documents and purchase orders to the awarded vendor with copies to the originating office. The originating office will be responsible for administrating the contract.
- ***Approval purchase order or contracts***. Standard pre-approved contract documents are available for purchase orders, professional (consulting) services, independent contractors, professional design services, and construction services. Any contract for purchase of goods or services that does not utilize a standard pre-approved contract or purchase order form must be submitted to University Counsel for review and approval prior to execution.

Section 2: Purchasing Processes

All University solicitations and purchases shall be executed in accordance with the requirements of the applicable purchasing processes listed below.

- Small Dollar Purchases Process
- Request for Bid Process
- Independent Contractor Process
- Capital Expenditure Request (CER) Process
- Emergency Order Process
- Contract Commitment Process
- Blanket Order Process
- Computer Hardware and Software Process
- Publication Process
- Radioactive Material and Select Chemical Agents Process
- Use of Minority or Women Business Enterprise (MBE/WBE) Vendors

These processes are summarized below, including the circumstances under which each process shall be required. Detailed explanations of the procedures to be followed for each process are available from Purchasing Services.

If more than one process applies to a solicitation or process, each applicable process should be followed. Purchasing Services in consultation with University Counsel will coordinate the application of the various processes.

Small Dollar Purchase Process – Temple Purchasing Card (TPC) Program

Schools/colleges/units are authorized to make non-repetitive, non-contract purchases of goods (not services) that do not exceed a total cost (including shipping and handling charges) of $5,000. The method of processing small dollar purchases is through the TPC Program. For more information regarding the TPC Program, see the respective link under "Methods of Purchasing," located in the Purchasing Services section of the Budget and Finance tab in TUportal.

Request for Bid (RFB) Process

The Request for Bid (RFB) process is an electronic process for soliciting pricing and availability of goods or services estimated to be $25,000 or higher. The RFB Process shall be undertaken by Purchasing Services upon submission of a TUmarketplace requisition by a school/college/unit. No other University department is authorized to undertake the RFB process.

To ensure the confidentiality and integrity of the RFB process, competitive sealed bids shall be solicited. An RFB document includes standard University conditions related to insurance requirements, indemnification, and confidentiality, as well as detailed scope of work and specifications including but not limited to quantity, description, delivery requirements, special conditions, and drawings. Timely RFB responses are opened and results recorded on the specified due date and time. Responses are evaluated and award is made to the lowest responsive responsible bidder.

Vendors may be asked to make a presentation to further clarify their response and qualifications to fulfill the requirements of the project. The reviewers will then make a recommendation to the appropriate approving authority for award to the vendor determined by the reviewers to have presented the best solution to accomplish the project. The appropriate approving authority will vary from project to project (e.g. dean, vice president, provost, or president).

Independent Contractor Process

The independent contractor process must be utilized when regular employees within the scope of their University employment cannot adequately provide expertise to fulfill a particular University commitment or objective. This process results in an independent contractor agreement with individuals or an entity not in the employment of the University. The legal determination of independent contractor status is guided by federal regulations. Further detail relating to this may be found on the Accounts Payable website.

The individual engaged as an independent contractor to perform services is required to complete an Independent Contractor Determination and Certification and submit a scope of work and total cost on an executed Temple University Independent Contractor Service

Agreement document (*located on the Staff Tools tab under University Forms. Search for Accounts Payable*).

Independent Contractor Service Agreements must be attached to a purchasing requisition and forwarded to Purchasing Services with a copy of all independent contractor forms for review and approval by Accounts Payable. Issuance of a contract purchase order will follow upon approval of documentation by Accounts Payable and Purchasing Services.

The Purchasing Pre-Approval Process may also apply. For more information regarding the Pre-Approval Process, see the respective link under "Procedures," located in the Purchasing Servicessection of the Budget and Finance tab in TUportal.

Capital Expenditure (CER) Process

Purchases which are subject to the approval of Capital Expenditure Policy #04.32.01 will not be awarded prior to receipt of an approved CER form. The two-page CER form and instructions for completing it may be found on the Capital Budgeting website. Bid solicitation may proceed prior to CER approval, but no award may be made without an approved CER.

Emergency Order Process

An emergency order is defined as an immediate need for goods or services where failure to act expeditiously exposes the University to risk of harm to persons or University property or jeopardizes the learning environment.

When the need for an emergency order exists, the school/college/unit must enter a requisition in TUmarketplace, using the priority code "Urgent." An internal note should be entered on the requisition stating the emergency along with the product or service needed. The requestor will need to notify his/her approvers and Purchasing Services of this request in order for it to process quickly and be assigned a purchase order. Purchasing Services will communicate to the requisitioner the purchase order number by phone and a comment will be placed within the requisition. Once the emergency order is received, the requisitioner may contact the vendor to expedite delivery of the product or service requested.

Issuance of an emergency order is at the discretion of Purchasing Services.

Contract Commitment Process

All purchases of goods and services or any other commitments of University resources must be processed in accordance with this policy so that the University is aware of and able to identify all contracts and contractual commitments, and to capture vendor solicitation and/or award information including demographic information, affirmative action initiatives, and financial obligations. Such information shall be included on the Contract Approval Request form, as described below.

- ***Commitment of contract*** – Those contracts which require a commitment to the operating budget will be encumbered in the general ledger accounting system by Purchasing Services.
- ***Contracts where the commitment is open ended*** – Those contracts which do not require a commitment (i.e. no fixed contractual amount, no requirement to purchase) will be assigned a "not to exceed total contract dollar value" Contract Manager/blanket purchase order by Purchasing Services. Contract Manager and blanket purchase orders do not create commitments of the total contract dollar value at the time of execution, but payments made against the contract can be tracked.
- ***Contracts where NO commitment is required*** – Those contracts which do not require a commitment (i.e. revenue, employment) will not pass through Purchasing Services.
- ***Contract signatures*** – If the document is or appears to be a legally binding document obligating the University to perform or pay for services, it must be reviewed by the Office of University Counsel and can only be signed by authorized University signatories.
- ***Payment of contracts*** – Contract payment invoicing must reference the purchase order number assigned.

Blanket Order

A blanket order is an arrangement with a vendor that does not obligate University funds but allows the flexibility for order placement on as-needed basis for a specified period of time (no greater than 12 months). The blanket order defines the general product or service, total dollar limit for a specified time period, and the transaction dollar limits for each order placement.

Submission of a Blanket Order Form found at TUmarketplace is required when requesting a blanket order.

Computer Hardware and Software Process

Computer hardware and software requests are to be submitted via TUmarketplace. Software requests require pre-approval prior to TUmarketplace submission – see "Pre-Approval Requests" under "Procedures," located in the Purchasing Services section of the Budget and Finance tab in TUportal. To ensure technical compliance with the University's computing strategy, please review the Information Technology Services' Departmental Hardware Purchasing and Departmental Software Purchasing websites.

Publication Process

Publications, brochures, or literature that carry the Temple University identity or logo, in addition to printed materials that require creative services and/or production (not including scholastic information), require pre-approval by Strategic Marketing and Communications regardless of dollar amount. Once pre-approval is obtained, these purchases are to be submitted on a TUmarketplace requisition with the pre-approval included as an attachment.

Radioactive Material and Select Chemical Agents Process

Regardless of dollar amounts, purchase of radioactive materials, certain chemicals, and certain biological agents are to be submitted on a TUmarketplace requisition and require the review and prior approval of the Environmental Health and Radiation Safety department (EHRS). Temple University is licensed by the Commonwealth of Pennsylvania and the Federal Government to possess radioactive materials, and EHRS has sole authority regarding procurement of radioactive materials for the University.

A list of select chemical agents that require EHRS approval may be found on the EHRS website.

BDS Information

In accordance with Pennsylvania state law, Temple University does not support boycotts of, sanctions against, and divestment from Israel. Such actions are not in alignment with the university's core principles, which include the respectful exchange of ideas.

Notes

1. **History:** This policy replaces any previously issued Purchasing Policies
2. **Cross References:**
   - Board of Trustees Policy # 04.32.01: Approval of Capital Expenditures
   - Board of Trustees Policy # 04.32.02: Policy on Competitive Bidding
   - Board of Trustees Policy # 04.50.01: Contract Signing – Authorized Signatures
   - Board of Trustees Policy # 04.81.01: Ratification of Non-Discrimination Policy
   - Presidential Policy # 05.20.13: Presidential Policy on Approval Authorization for Personnel Actions and Internal Financial Transaction
   - Administrative Policy # 04.71.13: Administrative Policy and Procedures on Accessibility of Information and Technology
   - Administrative Policy # 05.20.14: Administrative Policy and Procedures on Approval Authorization for Personnel Actions and Internal Financial Transactions
   - Administrative Policy #05.20.15: Administrative Policy and Procedures on Approval Authorization for Personnel Actions and Internal Financial Transactions Related to Externally Sponsored Agreement
3. **Website Addresses – Cross References:**
   - Temple University Policy and Procedures: http://policies.temple.edu/
   - Purchasing Department: http://www.temple.edu/purchasing/
   - Facilities/Planning & Design: https://campusoperations.temple.edu/campus-development
   - Employee Forms: located in TUportal the Staff Tools tab under University Forms.
   - Surplus Property: located in the Purchasing section of the Buying & Payingchannel of TUportal
   - Environmental Health And Radiation Safety: http://www.temple.edu/ehrs/
   - Accounts Payable: https://finance.temple.edu/buying-and-paying