



ACADEMIC GRANTS

Procurement Policy

As the steward of grants issued by funding entities, the Institutional and Academic Grants Office at King's College is committed to maintaining oversight in obtaining goods and services as economically as possible within accepted standards of quality and service, with delivery at such places and times as are required in the best interests of the funding entities, King's College, and the beneficiaries of the grants, and in compliance with all applicable regulations, laws, and grant terms and conditions. All faculty, staff, employees and agents of the King's College are to adhere to this Procurement Policy in the administration of all Institutional and Academic Grants.

Prior to the procurement of any and all supplies, equipment, or services, etc. for Institutional and Academic Grants, including on-line purchases, a completed Purchasing Requisition must be submitted to the Institutional and Academic Grants Office for approval, along with all required price quotes or bids and documentation of price or cost analysis, as applicable. Upon approval by the Institutional and Academic Grants Office, the Purchasing Requisition will be forwarded to the Purchasing Department for issuance of a Purchase Order. Upon approval by the Purchasing Department, the Purchasing Requisition and successful Vendor's Price Quotation/Bid will be forwarded to the Business Office for the initiation of a Purchase Order. Upon creation and approval of the Purchase Order, it will be forwarded to the Purchasing Department for approval, along with the Purchasing Requisition (and successful Vendor's Price Quotation/Bid). Upon approval by the Purchasing Department, copies of the Purchase Order, along with the Purchasing Requisition (and successful Vendor's Price Quotation/Bid) will be forwarded to the following: a.) Business Office; b.) Grants Office; c.) The Project Director/Originator (Vendor Copy and Departmental Copy). The Project Director/Originator will forward the Vendor Copy to the Vendor and coordinate pickup or delivery of the item(s).

On-Line Ordering and the Proper Use of the Procurement Card - Prepare a Purchasing Requisition; under the description of the items that are being ordered, indicate that a Procurement Card will need to be used instead of a Purchase Order, and give a reason as to why a Procurement Card is being used instead of a Purchase Order, i.e.: Company will not accept Purchase Order, etc. For On-Line Ordering for Project Directors/Originators who have a Procurement Card, the approved Purchasing Requisition will be returned to the Project Director/Originator, who can then proceed with purchasing the item(s) with their Procurement Card at this point. For On-Line Ordering for Project Directors/Originators who do not have a Procurement Card, upon approval by the Grants Office, the Purchasing Requisition and successful Vendor's Price Quotation/Bid will be forwarded to the Purchasing Department for approval, and the Purchasing Department will purchase the item(s) with a Procurement Card at this point.

Using the Procurement Card at local retail outlets that will not accept a Purchase Order, or directly bill King's College - Complete a Purchasing Requisition. If you are not sure of how much is going to be spent, fill in an estimated amount. After the purchase is made, the line will be amended to reflect the final total of the purchase. Under the description of the items, state that you are using the Procurement Card to purchase the items at the store. Forward the Purchasing Requisition to the Institutional and Academic Grants Office. After the purchase is made, return the store receipt, a copy of

the Purchase Order, and a Request for Grant Payment form to the Institutional and Academic Grants Office.

Grant funds will not be utilized to pay or provide reimbursement for any purchases made, including those purchases made with a Procurement Card, without the prior approval from the Institutional and Academic Grants Office. If an order is placed or any supplies, equipment, or services are purchased without prior approval from the Institutional and Academic Grants Office, the individual placing the order or making the purchase may be held personally liable for the charge. Do not presume that any actions will be approved after the fact.

King's College's procurement will avoid acquisition of unnecessary or duplicative items. Consideration will be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services, King's College may enter into state and local intergovernmental agreements or inter entity agreements where appropriate for procurement or use of common or shared goods and services.

King's College may use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

King's College may use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

King's College will only award contracts to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Sufficient records must be maintained to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

Competition:

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements.

(b) King's College's procedures for procurement transactions will ensure that all solicitations:
(1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear

and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and (2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(c) King’s College will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, King’s College will not preclude potential bidders from qualifying during the solicitation period.

Methods of Procurement:

(a) Competitive Quotations not Required. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$3,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, King’s College will distribute micro-purchases equitably among qualified suppliers. Micropurchases may be awarded without soliciting competitive quotations if King’s College considers the price to be reasonable.

(b) Competitive Oral Price Quotations Required. Oral price or rate quotations must be obtained from an adequate number of qualified sources (at least three) for services, supplies, or other property that cost more than \$3,000 but does not exceed \$10,000. Documentation of price or cost analysis must be submitted to the Institutional and Academic Grants Office along with the Oral Price Quotes and the Purchasing Requisition. Whenever the lowest quotation is not selected, justification is required to be submitted to the Institutional and Academic Grants Office.

(c) Competitive Written Price Quotations Required. Written price quotations must be obtained from an adequate number of qualified sources (at least three) for services, supplies, or other property that cost more than \$10,000 but does not exceed \$25,000. Documentation of price or cost analysis must be submitted to the Institutional and Academic Grants Office along with the Written Price Quotes and the Purchasing Requisition. Whenever the lowest quotation is not selected, justification is required to be submitted to the Institutional and Academic Grants Office.

(d) Procurement by Sealed Bids – Sealed Bids, i.e. the formal bid process, must be coordinated through the Purchasing Department. Formal Advertising will be utilized for services, supplies, or other property that cost more than \$25,000. Bids will publicly solicited and a firm fixed price contract (lump sum or unit price) will be awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply. (1) In order for sealed bidding to be feasible, the following conditions should be present: (i) A complete, adequate, and realistic specification or purchase description is available; (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price. (2) If sealed bids are used, the following requirements apply: (i) The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids; (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond; (iii) All bids will be publicly opened at the time and place prescribed in the invitation for bids; (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest.

Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and (v) Any or all bids may be rejected if there is a sound documented reason. Documentation of price or cost analysis must be submitted to the Institutional and Academic Grants Office along with the Bids and the Purchasing Requisition. Whenever the low bidder is not selected, justification is required to be submitted to the Institutional and Academic Grants Office.

(e) Procurement by noncompetitive proposals/Sole Source. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply: (1) The item is available only from a single source; (2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; (3) A Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from King's College; or (4) After solicitation of a number of sources, competition is determined inadequate. Documentation as to why there is only a Sole Source must be submitted to the Institutional and Academic Grants Office along with the Purchasing Requisition.

For construction or facility improvement contracts or subcontracts, the grant awarding agency or pass-through entity may accept the bonding policy and requirements of King's College provided that the grant awarding agency or pass-through entity has made a determination that the grantor's interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows: (a) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified. (b) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract. (c) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

**THE FOLLOWING REQUIREMENTS
PERTAIN TO
PROGRAM/PROJECTS
FUNDED WITH
FEDERAL FUNDS ONLY**

Procurements must be conducted in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable government statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply: (1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical; (2) Proposals must be solicited from an adequate number of qualified sources; (3) King's College will maintain a written method for conducting technical evaluations of the proposals received and for selecting recipients; (4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and (5) King's College may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort. Documentation of price or cost analysis and selection criteria analysis must be submitted to the Institutional and Academic Grants Office along with the Proposals and the Purchasing Requisition.

King's College will take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include: (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section. A cost or price analysis will be prepared; the method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, independent estimates will be made before receiving bids or proposals.