

RF Procurement Policy

Effective Date:	January 1, 2021
Supersedes:	Previous version
Policy Review Date:	December 2022
Issuing Authority:	Research Foundation President
Responsible Party:	Chief Financial Officer
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Reason for Policy

The purpose of the Research Foundation for The State University of New York ("Research Foundation" or "RF") Procurement Policy is to promote open and free competition in procurement transactions to the maximum extent practical, so that procurements are priced competitively and meet the technical, programmatic, and/or performance requirements of the purchase. This policy is compliant with the procurement standards in the OMB Uniform Guidance as codified in 2 CFR Part 200. The policy governs all procurement transactions made by all RF operating locations and the RF central office, whether the purchases are made using Unrestricted Funds or funds from a sponsored program or contract.

Statement of Policy

All RF procurement transactions must be conducted in a manner providing full and open competition. All purchases require selection of vendors, suppliers, products, or services that meet the RF's technical, programmatic, or performance requirements for the goods and services and that are reasonably priced.

Suppliers that develop or draft specifications, requirements, statements of work, or requests for bids or proposals for a procurement must be excluded from competing in any resulting procurement.

Any and all bids or offers may be rejected when it is in the Research Foundation's best interest to do so.

Non-competitive Procurements

Competitive bids or proposals are not required for the following procurements:

1. Purchases made under contracts with the State of New York, Consortiums, or through campus central stores or Service Centers. Information about current University-wide or multi-campus commodity, service or technology contracts for SUNY can be located at; <https://www.suny.edu/business/contractsearch/>. Information about other contracts, which are available for use by all State of New York agencies (including SUNY) can be found on the State Contracts page at OGS Procurement Services.
2. Purchases up to \$200,000 from certified small, minority, or women-owned businesses.

3. Purchases that qualify as a Sole Source procurement because the product or service procured is unique to one source or the requirements for the product or service can only be met by one supplier or contractor.
4. Purchases that qualify as Single Source procurement because of limited circumstances that justify procurement without open competition 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) The awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request; or (4) After solicitation of a number of sources, competition is determined inadequate.

Documentation Requirements for Single/Sole Source Procurements

All Single or Sole Source procurements require documentation of solicitation elements that includes a clear and accurate description of the technical and programmatic requirements for the material, product, or services being procured. The Single/Sole Source Form or campus equivalent form must be used to document all single or sole source procurements prior to the date of the initial purchase, except as otherwise specified in this policy.

The competitive bid process or the Single/Sole Source justification related to procurement is limited to the period defined by the agreement with the vendor including any agreed-upon extensions or options for extensions or renewals. If a change to or renewal, extension, or continuation of a procurement that was not competitively bid would result in an actual aggregate expenditure that exceeds the thresholds for required solicitation of bids, it must be approved by an RF Officer or operations manager after a Single/Sole Source justification documenting that the failure to determine the reasonably expected aggregate amount on the date of initial purchase was reasonable and justified.

Competitive Procurements

For all other procurements not identified above, solicitations of bids or proposals are required as follows: The "Total Purchase Amount" must be based on the reasonably expected aggregate total dollar amount of the purchase of the specified goods or services from the specified vendor or supplier within a twelve (12) month period commencing on the date of purchase. If the procurement is reasonably expected to continue longer than 12 months the Total Purchase Amount must be based on the reasonably expected value as specified in the agreement with the vendor or supplier. The expected purchases must not be artificially divided, and unjustified single/sole source procurement must not be used for the purpose of circumventing the thresholds for required solicitation of bids.

Solicitation of Small, Minority, and Women’s Business Enterprises

Operating locations should take the necessary affirmative steps to assure that small, minority, and women’s business enterprises, and labor surplus area firms are used when possible. This would include placing these qualified vendors on solicitation lists, assuring they are solicited whenever they are potential sources, and dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by these businesses. Campuses should refer to the Small Business Administration, the Minority Business Development Agency of the Department of Commerce or can use the [New York State M/WBE Directory](#) to locate businesses certified in New York State.

Methods of Procurement when using Federal or Federal Flow Through Funds

Total Purchase Amount	Requirement for Solicitations of Bids or Proposals
up to \$50,000	No requirement for solicitations of bids or proposals. When the same suppliers are used repeatedly or on an ongoing basis for various procurements within this range, pricing and quality of the goods and services must be reviewed periodically and the results maintained in a supplier procurement file.

\$50,000, to \$250,000	Solicitation of bids or proposals required, and procurement requires selection from a minimum of two written or verbal quotes.
over \$250,000	Solicitation of written bids or proposals required and procurement requires selection from a minimum of three written bids or proposals. Also, requires a cost or price analysis which at a minimum should include making independent estimates before receiving bids or proposals.

Methods of Procurement when using Non-Federal Funding Sources

Total Purchase Amount	Requirement for Solicitations of Bids or Proposals
up to \$50,000	No requirement for solicitations of bids or proposals. When the same suppliers are used repeatedly or on an ongoing basis for various procurements within this range, pricing and quality of the goods and services must be reviewed periodically and the results maintained in a supplier procurement file.
\$50,000 to \$250,000	Solicitation of bids or proposals required, and procurement requires selection from a minimum of two written or verbal quotes.
over \$250,000	Solicitation of written bids or proposals required, and procurement requires selection from a minimum of three written bids or proposals.

Note - campuses can elect to use the federal thresholds for all procurements to maintain consistency.

Procurements by Sealed Bids

Procurements by sealed bids (generally used for construction) require formal advertising and a firm fixed price contract (lump sum or unit price) be awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest price. In order for sealed bidding to be feasible, a complete, adequate, and realistic specification or purchase description needs to be available.

Competitive Proposals

Procurement by competitive proposals is generally used when conditions are not appropriate for the use of sealed bids. Request for proposals (RFPs) must incorporate a clear and accurate description of the technical requirements for the product or service being procured. RFPs must be publicized (NYS Contract Reporter, RF website, etc.) and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical. There must be a written method for conducting the technical evaluations of the proposals received and for selecting the recipients. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

Solicitation Requirements

Per Office of Management and Budget Uniform Guidance 2 CFR Part 200, solicitations must;

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 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.

2. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
3. 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.
4. Must not preclude potential bidders from qualifying during the solicitation period.

Vendor Consideration

Contracts shall be made only with responsible vendors 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 vendor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources. In certain circumstances, contracts with certain parties are restricted by agencies' implementation of Executive Orders 12549 and 12689, 'Debarment and Suspension'.

Certification of Credibility

Purchases or services in excess of \$25,000, on a federally funded project shall not be made from or with any entity or individual included on the debarment list. Purchases that exceed \$25,000 (on a federally funded project), shall be verified by one of the following methods:

1. Cross-checked against either the [SAM \(System for Award Management\)](#) or [Visual Compliance](#) databases before a purchase is made; or
2. Obtaining certification from the vendor or via the [RF debarment form](#); or
3. Adding a clause or condition within the agreement terms of the purchase.

Operating locations can obtain information about excluded parties by subscribing to the "Lists of Parties Excluded from Federal Procurement or Non-procurement Programs" or by searching for specific names or individuals through the [Office of Federal Contract Compliance Programs \(OFCCP\)](#).

Lease Versus Purchase Analysis for Procurement Using Federal Funds

When federal funds are being used and where appropriate, an analysis must be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical, practical procurement for the sponsor (not necessarily the recipient).

Price or Cost Analysis

A cost or price analysis must be performed in connection with every procurement action in excess of the Simplified Acquisition Threshold (currently \$250,000) including contract modifications. The method or degree of the analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, an independent estimate of cost must be made.

The objective of analyzing prices and costs is to determine whether the price is equitable and/or competitive in that it is reasonable in terms of the market, the industry, and the end use of the goods or services purchased. Other factors such as quality, service, and delivery of required goods can be considered.

Price Analysis

Price analysis is the process by which a supplier's selling price for an item or service is evaluated by the buyer. It involves the comparison of a supplier's price quote with appropriate reference prices to determine whether the supplier's price is equitable and/or competitive. Price analysis can include, but is not limited to, a comparison of the current price quote with

- quotations submitted by different suppliers.
 - prices paid in the past for the same or similar items.
 - published price listings or catalogs, together with discount arrangements.
- If price analysis cannot be performed, locations must perform cost analysis (refer to the following block).

Cost Analysis

Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability. Operating locations should obtain the cost breakdown from the supplier in order to perform a cost analysis. Operating locations should then apply their expertise and judgment to the data submitted to determine if the price is reasonable. If the costs are not reasonable, operating locations should negotiate a price that both the supplier and the operating location consider fair and reasonable.

For construction contracts using federal funds, a cost plus percentage of cost and percentage of construction cost methods must not be used. Time and material type contracts should only be used after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk.

Negotiating and Executing Purchasing Agreements

The [Delegation of Authority Policy](#) provides information on who has the authority to negotiate and execute different types of procurement instruments. All such instruments should be made under the name of "The Research Foundation for the State University of New York" and not under a campus name or SUNY for any RF related contracts.

OSC Pre-Audit Review for Construction Related Services

All contracts for construction and construction related services of \$1 million or greater paid with New York State funds are subject pre-audit review by the Office of the New York State Controller (OSC) prior to contract execution. Any campuses procuring such services of \$1 million or greater paid with New York State funds must contact RF central office at COprocurement@rfsuny.org and receive approval prior to starting the pre-audit review process with OSC.

Bonding Requirements

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the RF will follow the requirements promulgated under CFR Part 200.325 Bonding Requirements.

Documentation Requirements

Campuses must maintain records sufficient to detail history of the procurement for all purchases over \$50,000 (when using direct federal funds or when using other funding sources). These records should include, but are not limited to, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, any procurement lead time requirements, and the basis for the contract price. If the supplier that was chosen was not the lowest bidder, then the explanation should include the specific reason why that supplier was chosen. If the "Independent Contractor Services Form" is used, the selection criteria should be documented on this form. Refer to [Documentation Guidelines for Purchasing and Payment Activities](#) for more information.

Responsibilities

The following table outlines the responsibilities for compliance with this policy:

Responsible Party	Responsibility
Office of Record	Each operating location Office of Record is responsible for the development and maintenance of documentation
Every individual who initiates, processes, reviews, approves or records financial transactions on behalf of the RF.	Responsible for administering this Policy.

Outside parties	Outside parties who supply goods or services to the RF or bid on solicitations from the RF are responsible for compliance with applicable portions of this policy.
Operations Managers or designee	Responsible for oversight and management of implementation of this Policy at Operating Locations

Definitions

Consortiums: Purchasing groups that collaborate on procurement opportunities resulting in lower purchase price of goods and services by aggregating the purchase power of members.

Cost Analysis: The review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

Federal Acquisition Regulations: Regulations set out at 48 CFR1 or at <http://www.arnet.gov/far/>.

Micro Purchase Threshold: Purchases where the aggregate dollar amount does not exceed \$50,000.

OMB Uniform Guidance: Office of Management and Budget (OMB) - Requirements outlined in 2 CFR Part 200.

Price Analysis: A comparison of price quotations submitted, market prices and similar indicia, together with discounts.

Sealed bid or proposal: A supplier's written statement of a price and any other information requested, in response to a solicitation for a bid or proposal, that is received in a sealed envelope, then opened and evaluated by the RF in a meeting.

Service Centers: Operating unit(s) within the institution (SUNY or RF) that provide a service or group of services or products or group of products to users – principally within the institution for a fee.

Simplified Acquisition Threshold: Purchases over the Simplified Acquisition Threshold, which is currently \$250,000.

Small Purchase Threshold: Purchases up to the Simplified Acquisition threshold which is currently \$250,000.

Total Purchase Amount: Total dollar amount of the purchase.

Verbal Bid or Proposal: A supplier's oral statement of price and any other information requested, made in person or on the telephone, in response to an RF solicitation for a bid or proposal.

Written Bid or Proposal: A supplier's written statement of price and any other information requested, in response to an RF solicitation for a bid or proposal.

Related Information

[CFR Part 200 – OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#)

[Conflict of Interest Policy](#)

[Delegation of Authority Policy](#)

[Documentation Guidelines for Purchasing and Payment Activities](#)

[Tax Exempt Status Policy](#)

Forms

[RF Single Source Form](#)

[RF Debarment Form](#)

Change History

Date	Summary of Change
January 5, 2021	Updated threshold relating to direct federal funds in "Documentation Requirements" section to \$50,000 per January 1, 2021 revision.
January 1, 2021	Increased micro-purchase threshold for federal procurements to \$50,000 per revised Uniform Guidance revision.
November 13, 2019	Updated to include OSC pre-audit review requirement for construction related activities and added suggested language from uniform guidance.
June 10, 2019	Reduced suspension and debarment threshold for federally funded projects to \$25,000.
July 1, 2018	Updated pursuant to OMB Uniform Guidance changes.
October 24, 2016	Updated pursuant to OMB extension.
December 26, 2014	Updated to note that the RF has elected to accept the one year grace period for implementing the OMB Uniform Guidance procurement standards as codified in 2 CFR Part 200.
December 7, 2012	Changed policy name to "RF Procurement Policy", strengthened sole source documentation requirements and clarified when sole sourcing can be used. Effective 3/15/2013
December 2, 2003	Updated to reference New York State Executive Order 127 (Disclosure for Procurement Contracts Policy) documentation requirements and clarified when sole sourcing can be used.

Feedback

Was this document clear and easy to follow? Please send your feedback to webfeedback@rfsuny.org.

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