

**STANDARDS AND PROCEDURES:**  
**CONTRACTING FOR PURCHASES OR LEASES OF GOODS,**  
**SERVICES AND EQUIPMENT**

**I. PURPOSE**

The following standards and procedures have been approved by the Chancellor pursuant to VSCS Purchasing Policy - 429. It is the responsibility of the Business Affairs Council to review and propose to the Chancellor revisions to these standards and procedures periodically. The terms and provisions of these standards and procedures shall be read to be consistent with the terms and provisions of VSCS Policy 429. Where there is reference herein to particular job titles, the standards and procedures are not to be construed as being limited to those individuals serving in those specifically-titled positions but rather to those serving in the general capacity of those titled positions, however named.

**II. CONTRACTING STANDARDS AND PROCEDURES**

The Chancellor's Office and each College shall, in writing, specify which officials are authorized to enter into contracts for the purchase or lease of goods, services or equipment. All those with such authority on behalf of the College or the VSCS will do so in full compliance with state and federal law, the VSCS Purchasing Policy – 429 and these standards and procedures.

Purchases made and obligations entered into on behalf of the VSCS will be made in a manner that supports the mission of the VSCS and its colleges, and the efficient use of VSCS and college resources.

Potential obligations under this Policy between \$25,000 and \$100,000 in total cost, other than those purchases made with federal grant funds (as discussed, below), require solicitations of at least three quotations from responsible suppliers. The VSCS requires competitive bidding for purchases exceeding \$100,000 per total transaction in the form of a Request for Proposal (RFP) process. The RFP will be issued to a minimum of three potential vendors who have been identified as having the ability to provide the goods, services or equipment at a quality level acceptable to the VSCS. In order to create a standardized process for purchases in excess of \$25,000, the VSCS shall create a quick reference guide and a purchase summary sheet for use in all such transactions.

Except where federal grant funds are involved, regardless of the amount of the potential obligation, the Chancellor or a President, upon written application with a detailed justification, may waive in writing the above solicitation or RFP procedures in the interests of a College or the VSCS as a whole.

Selection of the vendor must take into account price, quality, terms, operating budget of the college or unit, delivery schedule, product availability, and environmental or social impact.

Before a sole-source contract may be issued, the requesting department shall complete a Non-Competitive Bid form (Attachment A) justifying the need for a sole-source contract. Use of a sole source contract may be infrequently acceptable, for example, for proprietary items that are only available from a single source or where there is significant added value from a long-term relationship. A sole-source purchase for which competitive bidding would otherwise be required shall be approved in writing by the Dean of Administration or the President of a college or, in the case of a VSCS system-purchase, the VP for Finance or the Chancellor.

All payments made by the Colleges for goods and services must be supported by appropriate documentation including, where appropriate, an invoice, a properly authorized Purchase Order and accompanying Receiving/Verification Form, or receipts.

All purchases are exempt from Vermont Sales Tax by use of the Sales Tax Exemption Certificate.

The preferred method of purchase is the Purchasing Card (p-card). When a p-card cannot be used to make purchases in excess of \$2,000, purchases should be made using the Purchase Order Requisition process.

Purchase Approval Limits, subject to available funds, are as follows:

1. Department Chairs, Office Directors, and CCV Site Managers or their authorized designees approve purchases up to \$2,000. Lower limits may be established by the colleges;
2. Deans, CCV Regional Directors, Facility Directors, and Agency Heads (e.g., VMEC, SBCD, VIT etc.) or their authorized designees may approve purchases up to \$5,000. Lower limits may be established by the colleges;
3. At the VSCS Chancellor's-office all purchases in excess of \$5,000 must be approved by the Chancellor or authorized designee. At the colleges all purchases in excess of \$5,000 must be approved by the President or by the Dean of Administration or their authorized designees.
4. OTHER SPECIAL APPROVAL REQUIREMENTS:

Purchase of Chemicals: All purchases of Chemicals for academic departments must be approved in advance by the designated College Chemical Hygiene Officer (CHO) or designee;

Purchase of Information Technology items: All Information Technology hardware and software must be approved in advance by the Chief Technology Officer for the college or VSCS or their authorized designee.

### **III. PURCHASES FUNDED BY FEDERAL GRANTS**

All Goods and Services purchased from federal grants and/or other federal sources, including federal contracts, must adhere to 2 C.F.R. § 200 subpart d. All VSCS institutions and

personnel must comply with the following standards and procedures when making purchases using federal funds.

A. Ethical Conduct

Along with the requirements and prohibitions of VSCS Policy 207: *Trustee And Executive Conflict Of Interest Policy* and VSCS Policy 210: *Employee Conflict of Interest Policy*, no employee, officer or agent may participate in the selection, award or administration of a contract expending federal funds if the employee, officer or agent, or her/his immediate family, partner or any organization which employs (or is about to employ) the employee or their family member or partner, has a financial or other interest in, or may otherwise tangibly benefit from, a firm considered for the contract.

B. Process Prior to Procurement:

1. Before initiating the procurement process when expending federal funds, purchasers should seek to:
  - Avoid unnecessary or duplicative purchasing of equipment, supplies or services;
  - Consolidate purchases where possible, or break-out purchases into more economical units – this should include consideration of leasing versus purchasing; and
  - Award contracts only to responsible contractors possessing the ability to perform successful under the terms and conditions of the proposed contract.
2. Any solicitation for goods or services must include a clear and accurate description of the technical requirements for the good(s) or service(s) to be procured, and must identify the requirements which bidders must fulfill, together with the factors used in evaluating bids or proposals.

C. Procurement Thresholds and Methods:

Pursuant to 2 C.F.R. 200.320, the following thresholds apply to VSCS purchases:

3. **Micro Purchase** - the aggregate dollar amount does not exceed \$10,000. This includes incremental payments that total less than \$10,000. Micro-purchases should be equitably distributed among qualified suppliers and may be awarded without soliciting competitive quotations so long as the price is reasonable.
4. **Small Purchase** - the aggregate dollar amount ranges from \$10,001 to \$100,000. Price or rate quotations must be obtained from a minimum of three qualified sources prior to making a purchase, and these quotes should be documented and retained by the purchaser.
5. **Larger Purchase** - where the aggregate dollar amount is greater than \$100,000, bids are publicly solicited using one of two methods:

- a) **Sealed Bids** – after formal advertising (e.g., RFP) a firm fixed price contract is awarded to the responsible bidder whose bid is the lowest price. This is the preferred method for procuring construction or certain types of equipment or services.
  - b) **Competitive Proposals** – conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program with price and other factors considered.
6. **Noncompetitive proposals** - procurement through solicitation of a proposal from only one source. A waiver must be granted by submitting the Non-Competitive Bid form (Attachment A), documenting the rationale for making the request. The President, Chancellor or designee will approve such sole-source contract requests only when:
- a) The product or service is available only from a single source, for example: a work of art, a specialized piece of equipment or specialized service, existing infrastructure has specific compatibility requirements;
  - b) There is an Emergency (defined below); or
  - c) The federal agency awarding the funds in question authorizes a non-competitive bid based on a written request from the VSCS.

D. Recordkeeping:

The purchasing entity must maintain records sufficient 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. For Small Purchases, the purchasing entity should retain the price or rate quotations from the non-successful providers.

**IV. Emergency Purchase Authorization**

On rare occasion an emergency purchase may be necessary. “Emergency” is defined as any situation involving public health, public safety, or where an immediate purchase is required for repair to College property to prevent or minimize serious disruption in College operations. Although competitive bidding is not required under emergency circumstances, officials making emergency purchases shall adhere to as many established standards and procedures as the circumstances may allow and the purchase shall be approved by the appropriate authority in advance of the emergency purchase where feasible.

<p>Jeb Spaulding</p> <hr/> <p>Chancellor</p>
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Date	Version	Revision	Approved By
	1.0	Initiated	Chancellor
6/26/15	2.0	Uniform Guidance Waiver	Chancellor
8/1 /18	3.0	Conform to updated Uniform Guidance	Chancellor

Attachment A

**Non-Competitive Bid Request Form**  
**[VSCS Institution]**

Name: \_\_\_\_\_

Department: \_\_\_\_\_

Funding Source: \_\_\_\_\_  
(Grant, VSCS Operating Funds, State Capital Funds, VSCS Capital Funds, Other)

Project/Grant Name: \_\_\_\_\_

Purchase Description: \_\_\_\_\_

Vendor Name: \_\_\_\_\_

*VSCS policy requires that competitive bids or quotes be obtained from at least three sources for all orders \$25,000 or more (\$10,001 for federally-funded expenditures). Any deviation from this policy requires written justification and evidence **prior to commitment of an order**. This completed form should be submitted to the Dean of Administration.*

Please indicate the reason for requesting a waiver from the competitive bidding process.

- Only known product of its kind
- Only known supplier of the product
- Subaward Requirement (please provide section of award document stating this vendor is to be used)
- Compatibility with existing software or equipment. (Please provide existing software or equipment details)
- There has been an unexpected emergency (as defined in Policy 429 Procedures)
- Other (inapplicable for federally-funded expenditures)

Please describe in as much detail as possible the justification for the reason listed above and attach all relevant documents to help support the justification.

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\_\_\_\_\_  
\_\_\_\_\_

I certify that the above statements are true and correct and that neither I nor a member of my family have any direct or indirect financial or other beneficial interest in the Vendor.

Signature: \_\_\_\_\_ Approval Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_