 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/ Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 1 of 13

I. PURPOSE

The purpose of this policy is to ensure compliance with the OMB Uniform Guidance Procurement Standards, 2 C.F.R §§200.317 - 326.

II. SCOPE

This policy, and related procedures, apply to the procurement procedures that must be followed by all individuals using funds under a federal award.

III. DEFINITIONS

See definitions in Section V. Procedure.


IV. POLICY STATEMENT

Procurement Overview

Procurement of goods and services for the University must be conducted in an open and competitive environment to ensure that prices paid are fair and reasonable. Purchasing activities are conducted by the Procurement Office, as well as by Academic and Administrative departmental employees. Purchasing activities include obligations for proper transaction documentation, fiscal responsibility, ethical behavior, adherence to federal and state government regulations, and compliance with all other University policies.

The Procurement Office provides support to the University in the selection, acquisition, use, and disposal of goods and services. These services are provided through:

- Maximizing the University’s purchasing power by focusing on strategic sourcing and obtaining the best value for the University by means of University bidding, purchasing through approved consortium buying groups, and vendor negotiations;
- Managing supplier relationships to ensure the University’s needs are met;
- Preparing and issuing Request for Proposals (RFP);
- Analyzing quotations and proposals;
- Ensuring that purchases and payments are made in accordance with all applicable University policies, laws, regulations, codes, and ordinances as well as federal, state and local laws and regulations. Ensure all documentation is reviewed and submitted with purchase orders;
- Negotiating and reviewing contracts; and
- Implementing and managing procurement solutions to enable efficient purchasing and payment processes.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 2 of 13

Procurement Authority

The Procurement Office is responsible for assisting the University in the procurement process and overseeing all procurement activities. The Procurement Office has provided designated employees the ability to enter purchase order requests and make purchases using a Villanova University procurement card. Departmental end users are not permitted to sign contracts. **Only those individuals listed on the [University’s Approval, Signing Authority and Contract Review Policy](#) are permitted to do so.** The University is not bound by and does not recognize as binding, any promise or obligation made by an unauthorized person. Those signing external agreements or attempting to bind the University by any other means without the proper authority may be subject to legal and disciplinary action, up to and including termination.


Ethical Conduct

Care must be taken to avoid the intent and appearance of unethical practice in relationships, actions and communications. All procurement activities conducted on behalf of the University must be in compliance with the standards outlined in federal, state and local laws; University policies; and Procurement Office procedures. It is the responsibility of each faculty and staff member of the University to ensure that the University does not knowingly enter into any purchase commitment that could result in a conflict of interest.

The Procurement Office is charged with the responsibility of maintaining an open and competitive process for procuring goods and services. Bids and proposals from competing vendors will be evaluated by the Procurement Office, who will also award contracts. Departmental end users are encouraged to compare prices between vendors even when the purchase amount does not require a formal bidding procedure. An open and competitive purchasing environment requires that information pertinent to the bidding process be kept confidential. As a private University, these prices are not and should not be shared with those outside of the University, unless required by the grant/contract sponsor.

Conflict of Interest

University employees must disclose in writing to the Director of Procurement all actual or potential conflicts of interest at the time of purchase or quote whichever is earliest. Disclosures must be made to the Director of Procurement, for all procurement activities subject to this policy, regardless if disclosure has also been made pursuant to the [University’s Conflicts of Interest and Business Ethics Policy](#) or the [Financial Conflict of Interest in Research Policy](#). All vendors are also required to disclose all conflicts of interests at the time of vendor onboarding to the University or must disclose at any time when such conflicts of interest occur. Conflict of interests will be reviewed by the Procurement Office, University Compliance Office, and the Office of the Vice President and General Counsel.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 3 of 13

Gratuities from Suppliers

Per the University’s Conflicts of Interest and Business Ethics Policy, University employees may accept gifts which are nominal in value and consistent with customary business practices. In all instances, University employees must be mindful that the nature and timing of any such unsolicited gifts do not give rise to the appearance of a conflict of interest or other impropriety.

Taxes

Most University purchases are not subject to PA Sales and Use Tax when used for educational and charitable purposes. Certain other states may also honor this exemption or have an equivalent ruling. Questions regarding sales tax can be directed to the Procurement Office. The PA Sales Tax exemption form and others states’ forms may be found on myNOVA, in the Finance dashboard, under ‘State Sales Tax Exemption Certificate’.

Budget


Principal Investigators or their designees are responsible for ensuring the availability of funds prior to the purchase of or the awarding of a contract for supplies, materials, equipment, or contractual services for the University. All grant/contract related purchases must be reviewed by the Office of Grants and Contracts for compliance purposes. Final review of purchases will be made by the Procurement Office.

Other University Policies

All other University policies regarding procurement and disbursements processes apply to grant/contract purchases as well as the policies listed within this document. If policies contradict each other, the policy in this document presides over the other written document. Also refer to the Costing Guidelines for Sponsored Projects policy and information regarding Appropriate Spending Guidelines for Sponsored Accounts.

Insurance Requirements

Suppliers and contractors must provide proof of insurance in accordance with policies set by the University’s Insurance and Risk Management Office. Additional insurance/documentation may be required for various purchase requests. Refer to the Insurance and Risk Management web page for more information. Contact the Procurement Office or Insurance and Risk Management Office for additional information.


 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/ Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 4 of 13

V. PROCEDURE


Procurement Process

All purchases of goods and services must be performed in an open and competitive environment to ensure that the prices the University pays are fair and reasonable. Below is an outline of the appropriate steps to take each time a purchase is made. While the Procurement Office’s involvement is required for some of these steps, its staff can assist with any and all steps. When determining your purchasing needs you must adhere to the following:

- Departments should avoid the acquisition of unnecessary or duplicative items.
- Departments are to make best use of all funds and only purchase items that are necessary.
- All leases are to be reviewed by the Procurement Office for appropriate analysis to determine the most economical purchasing approach.
- Purchases should be made to already established vendors and approved vendors whenever possible. Consolidating purchases to contract vendors will allow the University to benefit from larger sales breaks once the dollar thresholds are achieved.
- Purchasers should consider bundling or even breaking out purchases to achieve the best possible overall price and best value for the money.
- Make purchases or compare prices from consortium buying groups, including State and CoStars buying contracts, to determine if you are receiving fair pricing.
- Departments should consider purchasing Excess and Surplus materials whenever possible. This can be completed through Federal Excess Property, Government Auctions, or other organizations that are associated with Villanova University. Contact the Procurement Office for further information.
- Departments are encouraged to conduct “Value Engineering” on purchases to determine the full life cycle cost of products/services and ensure that its essential function is provided at the overall lowest cost.
- Departments must review the current listing of University suppliers available in NOVAbuy and NOVApay, but this does not preclude other bidders from qualifying during the solicitation period.
- Departments must ensure minority and women’s businesses are included whenever possible. The University is currently tracking this information for vendors in Banner and will provide this data for review as needed.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 5 of 13

- Contracts may only be awarded to contractors possessing the ability to successfully perform under the stated terms and conditions of the contract. Consideration must be given to contractor integrity, compliance with public policy, past performance, and financial and technical resources.
- Sufficient detail of the procurement history of each order must be maintained. This includes rationale for procurement method, selection of contract type, contractor selection or valid reasoning for rejections and the basis for the contract price. All this information must be maintained in the NOVAbuy procurement system as downloadable attachments, and is the purchaser’s responsibility to obtain and maintain.
- All Procurement transactions must be conducted in a manner to provide full and open competition.
 - Contractors that draft or develop specifications for a bid or request for proposal must be excluded from competing (bidding) on such items/services.
 - When creating a RFP it is important to:
 - Not place unreasonable requirements on firms in order for them to qualify to do business;
 - Not to require unnecessary experience;
 - Geographic location cannot be the basis for making your decision for the purchase;
 - NOT permit any arbitrary action within the procurement process;
 - Must incorporate a clear and accurate description of what is required;
 - Must not contain descriptions or requirements that unduly restrict competition;
 - Must contain minimum essential characteristics and standards to which it must conform, while avoiding detailed product specifications;
 - If it is impractical or uneconomical to make a clear and accurate description, a “brand name and equivalent” may be used as long as you specify the features of the brand name that must be met; and
 - Must use the Procurement Office’s standard RFP which includes a listing of what factors will be used in evaluating a bid or proposal.
- All Capital equipment (a tangible personal property having a useful life of more than one year and a unit acquisition cost exceeding \$5,000) must always be purchased through the NOVAbuy system and the equipment will be capitalized by Villanova. For more information on capitalization requirements, please contact the Controller’s Office.


 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/ Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 6 of 13

- Purchases must be made on the proper account at time of purchase to ensure proper tracking and documentation have been submitted and that all OMB polices are being followed.

PROCUREMENT METHODS

Micro Purchases - Purchases under \$5,000 (\$2,000 for Construction awards)

- No personal reimbursements allowed – Any requested exception must be documented and approved by the PI and Office of Grants and Contracts prior to reimbursement being issued. Students requesting reimbursement must use the NOVApay Student and Non-employee Payment Request Support form and employees requesting reimbursement must enter reasoning why reimbursement was needed directly into the NOVApay (Concur) comments section.
- The acquisition of supplies or services in which the aggregated dollar amount does NOT exceed \$5,000.
- May be purchased without soliciting competitive quotations but to the extent practical, must distribute purchases equitably among qualified suppliers.
- Must assure price is reasonable.
- The following purchasing methods are approved:
 1. Procurement Card - These purchases can be made on an employee's Villanova issued procurement card. All purchases must follow the Procurement Card Policy.
 - NO Grant related purchases over \$5,000 may be made with the Procurement Card – any exceptions must be preapproved by the Procurement Office and the Office of Grants and Contracts and must be documented within NOVApay with the Preauthorization Support Form.
 - It is the responsibility of the purchasing individual to not use a vendor that is a known risk:
 - Vendor should not be debarred from receiving federally funded procurements, in accordance with the Federal Acquisition Regulation section 9.4. The Procurement Office and University Compliance Office will assist Departments in determining appropriate vendors. Current approved vendors are being monitored daily by Visual Compliance and those that become debarred are removed from our vendor database pursuant to established processes.
 - Vendor should not present any conflict of interest for the University or grant purchase.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 7 of 13

2. NOVAbuy - Purchases may be made via the NOVAbuy purchase order system.
 - Punch-out Catalogs – Contract pricing has already been negotiated by the University.
 - Contract Preferred Vendors - The Procurement Office website lists vendors that have contracts already established with Villanova University. Refer to the Procurement Office website for more information.
3. Direct Purchases with Vendors – These types of purchases should be avoided whenever possible. Only in emergency situations should this be your method of purchasing. If this purchase method is required, a Justification Form must be completed and attached to your invoice when submitting through the NOVApay system. The Form must indicate the emergency necessitating this type of purchase method and be reviewed by the Office of Grants and Contracts and approved by the Procurement Office.


Small Purchases – Purchases less than \$150,000 and greater than \$5,000

- No personal reimbursements allowed – no exceptions
- The acquisition of supplies or services in which the aggregated dollar amount does NOT exceed \$150,000.
- Must obtain pricing and quotations from at least three (3) qualified sources.
- All quotations must be presented and maintained in the NOVAbuy system. Either written, price list or web search showing pricing is acceptable.
- Must provide documentation as to why the awarded vendor was chosen by completing the Vendor Justification/Price Verification/Sole Source Form.

Competitive Sealed Bids – Purchases greater than \$150,000 - *Sealed bids are typically used to procure high-cost items with easily definable characteristics.*

The typical process for this type of purchase is as follows:

- An Invitation for Bids (IFB) is advertised.
- Companies prepare and submit their bids.
- A contracting official opens all sealed bids at an appointed time, reads them aloud and records them. Interested parties can view all the bids at this time, although they don't have access to the bidders' financial data and other proprietary information. The contract is awarded to the company with the lowest bid which is responsive and responsible.


 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 8 of 13

- Contracting officials must make sure the lowest bidder is both responsive and responsible. Officials assess responsiveness based on whether companies submit their bids on time and in accordance with the instructions and requirements of the IFB. They gauge a bidder's level of responsibility based on the company's means to fulfill all the contract requirements.

Requirements of this type of purchase are:

- No personal reimbursements allowed – no exceptions
- The Procurement Office must be involved in the purchase process from beginning to end.
- This process could take 3 – 6 months, so plan accordingly.
- Must perform a cost and price analysis and make independent estimates before receiving bids and proposals. This must be documented.
- Formal Advertising of bid must be conducted – Contact the Procurement Office for details on how to post bids on the Villanova RFP website. Public opening of the bids will be held.
- This is the preferred method for all construction related contracts.
- The following conditions must be present:
 - Adequate and realistic specifications are available
 - Two or more bidders respond
 - A firm fixed price contract can be awarded to the lowest responsive and responsible bidder
 - Price should be the major factor for this type of purchase, however, the award shall be made to the lowest responsive and responsible bidder. Any bid may be rejected if there is a sound documented reason.
- Must provide documentation as to why the awarded vendor was chosen on the Vendor Justification/Price Verification/Sole Source Form.

Competitive Proposals – Purchases greater than \$150,000 – *Proposals are typically used when the award will be based on more than price. Like sealed bids, proposals are typically used for larger purchases, but they are much more detailed than bids. The RFP process allows the University to bargain over details before a contract is awarded. Depending on the size and complexity of the purchase, negotiations may include discussion of price, schedule, technical requirements, and the type of contract to be used.*


 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/ Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 9 of 13

The typical process for this type of purchase is as follows:

- The University issues a RFP containing all the information and instructions necessary for companies to prepare their proposals.
- Companies write and submit their proposals, paying close attention to specifications in the RFP, such as required work plan, staffing, and forms to be completed.
- The University reviews the proposals and selects those companies deemed competitive enough to continue in the negotiation process (i.e., the ones that are “shortlisted”).
- Negotiations begin between the University and the shortlisted companies.
- Companies may be invited to submit revised offers, taking into account the concerns raised during negotiations.
- The proposals are reviewed again. The University looks for the proposal that provides the best value.
- Before the contract is awarded, the University determines whether the would-be contractor is responsible and has the facilities, quality-assurance processes, financial backing, etc., to complete the contract.

Requirements of this type of purchase are:

- No personal reimbursements allowed – no exceptions
- The Procurement Office must be involved in the purchase process from beginning to end.
- This process could take 3 – 6 months, so plan accordingly.
- Must perform both a cost and price analysis and make independent estimates before receiving bids and proposals. This must be documented.
- Formal Advertising of bid must be conducted – contact the Procurement Office for details on how to post bids on the Villanova RFP website. Public opening of the bids will be held.
- More than one source submitting a proposal is required.
- Fixed price or cost reimbursement contract will be awarded.
- Used when sealed bids are not appropriate.
- Must have evaluation factors stated in the RFP and there must be a written method for conducting technical evaluations of responses and selecting recipients.
- Contract to be awarded to the responsible firm whose proposal is most advantageous to the program.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 10 of 13

- When soliciting for qualifications based on architectural and/or engineering services (A/E) whereby the competitor’s qualifications are evaluated, the most qualified competitor must be selected. Price is not the determining factor. This method cannot be used to purchase other types of services through these A/E firms.
- Must provide documentation as to why the awarded vendor was chosen on the Vendor Justification/Price Verification/Sole Source Form.

Sole Source/Single Source Purchase - *A sole source purchase is one where there is only one vendor capable of providing an item or service, and therefore it is not possible to obtain competitive bids. A single source purchase is one where there are multiple sources of supply, but for specific reasons, the item or service must be purchased from a specified vendor.*


Requirements of this type of purchase are:

- PI or designee must perform and document both a cost and price analysis and make independent estimates before receiving bids and proposals.
- The item is only available from one source. This must only be selected after an extensive search of the market place. Supporting documentation and completion of the Vendor Justification/Price Verification/Sole Source Form must be provided. A clear valid reason for the sole source must be documented and this will be reviewed by the Office of Grants and Contracts and approved by the Procurement Office prior to the purchase.
- Due to public exigency or existence of an emergency, a delay is not permitted. Completion of the Vendor Justification/Price Verification/Sole Source Form and submission of supporting documentation are required.
- Federal awarding agency authorizes noncompetitive proposal. Completion of the Vendor Justification/Price Verification/Sole Source Form and submission of supporting documentation are required.
- Inadequate competition is determined. Completion of the Vendor Justification/Price Verification/Sole Source Form and submission of supporting documentation are required.

Time and Materials Contracts – *Time and materials contracts are used when both parties agree to pay predetermined unit rates. Time and materials contracts are used when it has been impossible presenting an accurate estimate or where the schedule cannot be defined. This type of contract presents the highest risk for the University and the lowest risk to a contractor. Time and materials contracts are the least desirable contract type.*

Requirements of this type of purchase are:


- Must only be used when no other contract type is suitable.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 11 of 13

- A ceiling price must be stated in the contract. This will be included on the NOVAbuy purchase request.
- Must exercise oversight throughout the contract including thorough review of invoices and conducting site visits as necessary to assure contractor efficiency and cost control.

Contracts/Sub Awards over \$150,000

- PI or designee must perform and document a Cost or Price analysis on all contracts in excess of \$150,000, and attached to the Purchase Order request in NOVAbuy and is the responsibility of the PI with assistance of the Procurement Office.
 - Cost analysis - review of individual items listed in the proposal that make up the final price and determine if each item is necessary, reasonable and beneficial, and if necessary negotiate out any extra costs.
 - Price analysis – comparing offers from different contractors to determine a fair and reasonable price.
- Must negotiate profit as a separate element of price for each contract in which there is no price competition and in all cases where cost analysis is performed. Must consider the following items: complexity of work, risk borne by contractor, contractor’s investment, amount of subcontractors, and quality of work record for past performance.
- All Contracts must be processed within NOVAbuy by issuing a University purchase order.
- Must issue a sound, complete and enforceable agreement. The University’s Terms and Conditions must be included in the contract.
- All Purchase orders/contracts must include reference to “Appendix II of 2 CFR 200” which has been added to the Villanova University Standard Terms and Conditions and referenced on all Purchase Orders.
- Must maintain oversight to ensure that contractors perform in accordance with the Terms and Conditions stated in the contract. This is the responsibility of the principal investigator (i.e. delivery of product, holding payment until full delivery, inspection of goods, warranty acceptance, etc.).
- Sub Awards contractors must follow OMB Uniform Guidance Procurement Standards and meet all requirements of the Office of Grants and Contracts including completion of COI disclosure form, as appropriate.
- If the Sub Award contract is sole source, refer to Sole Source section above.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/ Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 12 of 13

VI. RELATED INFORMATION/FORMS

- [Conflicts of Interest and Business Ethics Policy](#)
- [Financial Conflict of Interest in Research](#)
- [Policy Prohibiting Illegal, Dishonest or Fraudulent Conduct](#)
- [Restricted Parties Screening Review Policy](#)

VII. HISTORY

Approved on June 4, 2018 with an Effective Date of June 1, 2018.

VIII. RESPONSIBLE UNIVERSITY DIVISION/ DEPARTMENT


Procurement Office
Villanova Center, Suite 200
789 Lancaster Ave.
Villanova, PA 19085
610.519.4231

Office of Grants and Contracts
Middleton Hall
800 Lancaster Avenue
Villanova, PA 19085
610.519.4220

It is the responsibility of both the Office of Grants and Contracts and the Procurement Office to monitor the purchasing at the University utilizing federal funds, to ensure the purchases are following the procedures outlined in this policy.

The PI should work with the Director of Procurement to provide advance notice of large purchases whenever possible. This will ensure that the Procurement Department has adequate resources available to perform the Procurement duties.

OMB Procurement Training and Education - All Principal Investigators (PI) and those assisting the PI in making purchasing decisions on grant funded projects will be required to complete the OMB Procurement training offered by the Procurement Office. Completion of training will be tracked via the LMS system in which the training is housed. Training records will be available to the Procurement Office, the Office of Grants and Contracts, and other authorized University representatives.

 VILLANOVA UNIVERSITY	Title: General Procurement Standards – Grant/Contract Purchases	
	University Division/Department: Financial Affairs/ Procurement Office	
Policy Number:	Effective Date : June 1, 2018	Page: 13 of 13

IX. RESPONSIBLE ADMINISTRATIVE OVERSIGHT

Financial Affairs Office
Villanova Center, Suite 200
789 Lancaster Avenue
Villanova, PA 19085

Office of the Provost
Tolentine Hall, Room 103
800 Lancaster Avenue
Villanova, PA 19085