

VINCENNES UNIVERSITY
PROCUREMENT PROCEDURES FOR FEDERAL GRANTS

Vincennes University (VU) policy should be followed for all procurement actions under federal grants with the following additional requirements stated below to be in accordance with federal regulations which can be found at 29 CFR Part 95 and Sections 40-48 & Appendix A in Circular A-110. Any expenses other than salaries/benefits for employees are subject to the following requirements.

The Project Managers (PMs) are responsible for checking the Excluded Parties on the sam.gov website prior to the approval of federal subawards of any amount or purchases of \$25,000 or higher on federal awards. Please attach a copy of the printout from the SAMS.gov website verifying that the vendor does not have exclusions to the purchase order or the invoice request for those goods or services without a purchase order.

All Project Managers (PMs) must undertake appropriate acquisition planning procedures before a procurement is initiated. The following considerations must be taken and documented: avoid purchasing unnecessary items, consider lease and purchase alternatives (see the lease and purchase guidance document), and conduct market research (i.e. know who is out there). Questions to ask to meet this requirement would be: Could we purchase under any current contracts that the University has? Would joint purchasing (purchasing more than one item) or purchasing in bulk be beneficial and cost effective?

Competitive Proposals

- A. The PM must follow the specific guidelines below when soliciting for goods or services:
- No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. A Conflict of Interest Disclosure Statement must be signed at least annually and updated if a conflict of interest arises. Indiana Code 35-44-1-3 provides that it is a Class D Felony for a University employee to benefit financially from a contract or purchase connected with the University, unless the University employee files a written disclosure statement prior to the University taking final action on the contract for purchase, which discloses the employee's financial interest in the contract or purchase.
 - The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to subagreements.
 - Awards shall be made to the bidder or offeror whose bid or offer is responsible to the solicitation (i.e. RFP) and is most advantageous to the recipient, price, quality and other factors considered.

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- All competitive proposals need to have a written cost or price analysis. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost (if that level of detail is provided) to determine reasonableness, allocability and allowability.
 - No geographic preferences will be allowed.
 - Preference will be given to disadvantaged, minority, and women business enterprises as well as enterprises in the United States in accordance with the Buy American Act. Preference will also be given to environmentally friendly and energy efficient products.
 - To ensure free and open competition any solicitation for quotes, bids, or proposals must be advertised to the extent that any party interested will be notified of the University's request.
 - Determine that the selected vendor is not on the Debarred or Suspended list on the System for Award Management website (www.sam.gov) or the OFAC Terrorist List (<http://www.treasury.gov/RESOURCE-CENTER/SANCTIONS/SDN-List/Pages/default.aspx>).
 - Evaluate the proposer/bidder based on past performance, financial stability, and compliance with rules and regulations. To do this, call the references listed and inquire about past performance and if the proposer/bidder abided by the contract. To evaluate financial stability, review the current financial statements provided. The Finance office can help you with this if needed.
 - Determine the most appropriate contract to enter in, but do not use a cost plus percentage of cost method. This is prohibited by the federal government.
- B. In the situation where a formal bid process is needed (purchases over \$100,000 per VU policy), the following standards apply:

A Request for Proposal (RFP) or Invitation for Bids will be created by the PM. This document shall provide for all of the following:

- Notification that the contract will be paid from federal funds
- A clear and accurate description of the technical requirements for the material, product or service to be procured
- Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating proposals
- A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards

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- The terms and conditions that will be applicable to the contract along with the statement that VU's standard contract will be used unless a blended contract is agreed to by both parties
- Statement that any subcontracts, technicalities, and changes to original offer must be approved by VU
- Instructions to bidders regarding proposal submission including how to handle questions, deadline for offers, format and delivery of proposals
- Explanation of the review of proposals process and evaluation criteria
- A statement that any and all bids or offers may be rejected when it is in VU's best interest to do so and that VU is not obligated to award a contract
- Pricing structure
- Proposal certification
- Determine that the selected vendor is not on the Debarred or Suspended list on the System for Award Management website (www.sam.gov) or the OFAC Terrorist List (<http://www.treasury.gov/RESOURCE-CENTER/SANCTIONS/SDN-List/Pages/default.aspx>).

An example of an RFP that contains all of the elements above will be provided to the PM.

- C. After the formal proposal or offer is created it should be sent to the Director of Procurement for the University. The Director is then responsible for disseminating, publicizing, and gathering the responses to the proposal or offer. Ensure with the Director that a "wide net" will be cast when sending out invitations for bids, meaning that we are appropriately advertising to all parties that would be interested.
- D. All submitted responses to proposal or offer should be evaluated on a fair and objective basis. The use of a rubric is suggested that illustrates if a proposer or offeror meets or exceeds requirements. An example of a rubric scoring sheet will be provided to the PM. Selection of a contractor will abide by the requirements stated in item A above.
- E. A summary of the complete competitive process will be created and will explain the following:
 - Acquisition Planning
 - Creation of the RFP/Invitation for Bids (if applicable)
 - Submission of RFP proposals or bids
 - Cost and Price Analysis
 - Basis for Selection
 - Notification of Winning Proposer or Bidder
 - Awarding of Contract

An example of this summary will be provided to all Project Managers.

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- F. The winning proposer must sign the approved “Standard Independent Contractor Agreement” with the University. The contract award must reflect a sound and complete agreement that includes the following elements: the offer, acceptance, consideration, competency of parties, legal content, jurisdiction, rights and remedies, and severability.
- G. All awarded contracts will be administered during the contract period by enforcing the terms and conditions and documenting performance and compliance.

Non-Competitive Proposals

This method applies to the solicitation of a proposal from a single source, or, after solicitation of a number of sources, competition is determined inadequate to fulfill the requirements of the grantor, public emergency precludes delay, or the grantor formally authorizes the procurement. This type of proposal is allowed but is considered a last resort option and the reason for use must be documented.

A cost analysis is required that verifies the proposed cost data and evaluates the specific elements of costs and profits, including comparison with the University’s prior independent price estimate. Profit must be separately negotiated in the award, and cost plus a percentage of cost agreements are not allowable. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.