Chapter 4

Purchasing Overview for Goods and Services

4.0 Purchasing Overview for Goods and Services

The Department of Procurement and Contracts supports the University community by purchasing desired goods and services. The goal is to satisfy each department’s procurement requirements in a timely manner at the lowest available cost, while adhering to university policy and state procurement guidelines and regulations.

Generally, purchase requirements, regardless of dollar amount, must be processed in eVA, the Commonwealth’s electronic purchasing system which integrates to Banner Finance.

The Department of Procurement and Contracts’ responsibilities vary depending on dollar amount, vendor registration, commodity, and method of procurement. The majority of goods purchased are delivered initially to Warehouse Services where they are inspected and then delivered to the final destination as specified in the purchase order. Generally, Departments are required to enter receiving information in eVA to reflect the date goods or services are actually received. Invoices are to be sent directly from the vendor to Accounting Services.

4.1 Purchasing Planning

4.1.1 Department

A. Department identifies a valid need for goods and/or services.
B. Department ensures funding/budget is available.
C. Department determines availability from existing contracts by contacting the contracting officer, reviewing the university’s contract listing; reviewing state contract listing, and reviewing VASCUPP contract listing.
D. The university department representative should contact the Department of Procurement and Contracts as early as possible in the planning process for assistance and guidance
E. Department seeks sources of supply.
F. Department develops specifications.
G. Prior approvals are obtained in eVA through the purchase requisitioning approval flow identified by eVA user name, NIGP commodity code selection, account code selection, vendor selection, and dollar amount. Radford University internal procedures utilize the eVA approval flow to obtain approvals for such items as printing, apparel, furniture, facility renovations, telecommunication devices, and restricted items.
H. Department ensures compliance with all university policies, including but not limited to the following:
  o Small Purchase Charge Card (SPCC) procedures (Appendix K);
  o Radford University Food and Beverage Policy (Appendix L);
  o Radford University Apparel Policy (Appendix M);
  o Radford University Promotional Items (Appendix N);
  o Radford University Improper University Expenditures (Appendix O)
  o Radford University Appropriate Sources for University Spending Frequently Asked Questions (Appendix P);
  o Radford University Travel Policy (Appendix Q);

4.1.2 Department of Procurement and Contracts. The employees in the Department of Procurement and Contracts are available to assist departments in the planning process for assistance and guidance, especially for furnish and install purchases and large volume purchases such as furnishing a renovated building.

4.2 Procedures for Procurement of Goods and Services

4.2.1 Use of Contracts

The use of state-issued contracts by the Division of Purchases and Supply (DPS) or cooperative contracts issued by other VASCUPP institutions are preferred. Cooperative contracts issued by other public or private organizations or entities, including other educational institutions, public-private partnerships, public bodies, charitable organizations, health care provider alliances and purchasing organizations are allowed only when those contracts are procured competitively with comparable processes as noted below.

4.2.2 Small Dollar Purchase Procedures (less than $50,000)

The Rules Governing Procurement of Goods, Services, Insurance and Construction by a Public Institution of Higher Education of the Commonwealth of Virginia (Subchapter 3 of the Restructured Higher Education Financial and Administrative Operations Act) (Appendix C: Rules Document) permits a public body to establish small dollar purchase procedures, if adopted in writing, not requiring the use of competitive sealed bidding or competitive negotiation for single purchases of goods and services or the establishment of a term contract if the sum of all phases is not expected to exceed $50,000. However, such small dollar purchase procedures must provide for competition wherever practical.

The following small dollar purchase procedures have been established by Radford University when acquiring materials, supplies, and equipment, printing, or non-professional services up to and including $50,000. Procurements made pursuant to these procedures do not require public bid opening or newspaper advertising of competitively negotiated procurements.
A. **Purchases $5,000 or less.** Individual purchases of goods and services costing $5,000 or less and in the aggregate do not accumulate to over $15,000 in total annual cost shall be procured through the procurement delegation granted to individual university departments. Detailed procedures in this category are listed below in Section 4.3.

B. **Purchases more than $5,000 but less than $50,000.**

1) **Competitive Requirements**

   a) **Unsealed Bidding**

   An unsealed Invitation for Bid (IFB) may be used to solicit bids or quotes for goods and non-professional services from $5,000 but less than $50,000.

   b) **Unsealed Proposals**

   An unsealed Request for Proposal (RFP) may be used to solicit proposals for goods and non-professional services from $5,000 but less than $50,000.

   Proposals may be opened and evaluated upon receipt. All responses must be received at the designated location by the date and hour stated in the solicitation.

   In lieu of an evaluation committee, the buyer or end user may solely evaluate and rank proposals. Upon completion of the evaluation, negotiations shall be conducted with the offeror(s) selected.

4.2.3 **Purchases $50,000 and Above**

All purchases of goods and services costing $50,000 and above shall follow the procedures as set forth in the Commonwealth of Virginia Purchasing Manual for Institutions of Higher Education and their Vendors (Appendix B).

F. **Buyer Determination to not pursue competition in the best interest of the University**

For purchases of goods and services not costing more than $10,000, the appropriate buyer/contracting officer in the Department of Procurement and Contracts may, in their discretion, without requiring additional approvals, place the order with a suggested source without seeking further
competition. Appropriate documentation must remain in the procurement file.

Determination to not pursue competition for goods and services over $10,000 but not greater than $50,000 and not qualified as a sole source may only be approved by the Director of Procurement and Contracts, a designee, or the Vice President for Finance and Administration. A written justification will be maintained with the procurement records explaining why it was in the best interest of the University to not pursue competition.

G. Exceptions to Normal Competitive Requirements (Exempt Procurements)

Competition normally is either not practicable or available for purchase of the following goods or services up to and including $50,000.

1) Books, pre-printed materials, reprints and subscriptions (e.g., print or electronic, pre-recorded audio and video cassettes, compact discs, slide presentations, etc., when only available from the publisher/producer.

2) Academic research services or academic consulting services.

3) Training that is specialized, proprietary, not typically available to the general public for which competition is generally unavailable, off-site, and requires a registration fee.

4) Honoraria, entertainment (speakers, lecturers, musicians, performing artists).

5) Royalties and film rentals when only available from the producer or protected distributors.

6) Professional organizational membership dues.

7) Writers.

8) Artists (does not include graphic artists); original works of art, and original, or authentic antique period art frames (does not include newly replacement or reproduction frames).

9) Photographers (other than graduation and yearbook photographers).

10) Advertisements in newspapers, magazines, journals, radio or television, or billboards.
11) Utility charges.

12) Conference facilities (to include conference support and related lodging and meals) only when the use of a specific facility is directed by an outside donor, sponsor or organization.

13) Accreditation fees.

14) Exhibition rental fees for exhibitions of historical artifacts or original works of arts. (The rental fee may include charges other than the rental of exhibition, such as transportation costs).

15) Academic testing, tests and evaluations.

16) Pass-through-procurements. (Examples include contracting for alumni functions for which the institution is reimbursed by the alumni and materials purchased for students by a faculty member using State funds and for which the students fully reimburse the institution).

17) Television or radio programs (e.g., athletic events, televised conferences, etc.) whereby specific stations are selected because of market demographics.

18) Fees associated with participation in intercollegiate athletic tournaments and events including team lodging, registration and game guarantees for all athletic events.

19) Referees, officials and umpires for athletic events.

20) Pharmacies participating in pharmacy student in-service programs wherein all qualifying facilities are eligible.

21) Purchases of used equipment. This also includes used equipment purchased at a public or online auction, if determined in writing that the purchase would be in the best interest of the public.

22) Purchases from the federal government, other states and their agencies or institutions and public bodies.

23) Surplus property.

24) On Demand Renovation and Construction Projects not to exceed $50,000 where the award is made to a single trade vendor or general contractor that has been pre-qualified by the University through an open solicitation qualification process. The vendor
must meet the requirements to complete the unplanned, on demand renovation or construction project under the timeline and specifications dictated by the project to insure the safety of the University and the ongoing daily operations continue without concern. All such on demand, unplanned projects will be overseen by a University Engineer from Facilities Planning and Construction and all direct awards will be issued by the appropriate Contracting Officer in the Department of Procurement and Contracts.

H. Price-Reasonableness Determination

When competition is restricted or lacking or the prices offered appear excessive, the contracting officer is responsible for further analysis to determine in writing if the prices are fair and reasonable. This applies to sole source, single response, contract changes or contract modifications, contract renewals, contract extensions, or anytime a single price is agreed upon.

4.3 Purchasing Process Summary

The following table depicts the activity for each dollar threshold and the estimated time needed for processing:

| Estimated Cost | *Procurement Requirements*  
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<tbody>
<tr>
<td>$ 5,000 or less</td>
<td>Individual departments create eVA purchase requisitions (PR) after obtaining and documenting one written or telephone quotation from a DMBE certified SWaM vendor, if available, for purchases of $5,000 or less. Over the counter SPCC purchases that are made at the site of the sale and are picked up by the individual card holder are not required to be entered in eVA, but prior approval is required at the departmental level and documented accordingly.</td>
<td>1-3 Days</td>
<td>Department end user is responsible for maintaining documentation of effort and activities supporting obtaining or attempting to obtain SWaM quotes</td>
</tr>
<tr>
<td>More than $5,000- $10,000</td>
<td>The Department of Procurement and Contracts may seek competition or process using a single quote. Must include quote from a DMBE certified SWaM vendor, if available.</td>
<td>5-10 Days</td>
<td></td>
</tr>
<tr>
<td>More than $10,000- less than $50,000</td>
<td>Competition may be obtained by the Department of Procurement and Contracts including DMBE certified SWaM vendors if available using informal bid or informal proposal procedures,</td>
<td>10 Days (Unsealed bids)</td>
<td>30 Days (Unsealed proposals)</td>
</tr>
<tr>
<td>Amount</td>
<td>Description</td>
<td>Time Frame</td>
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<tr>
<td>$50,000 and Above</td>
<td>Competition may be obtained by the Department of Procurement and Contracts using a formal sealed method of procurement (IFB/RFP). Posting in eVA is required. Newspaper advertisement is required for competitive negotiations. Sealed bids are opened and read aloud at a public bid opening.</td>
<td>40 Days (Sealed IFB) 90-120 Days (Sealed RFP)</td>
<td></td>
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</tbody>
</table>

- **DMBE** -- Department of Minority Business Enterprise
- **SWaM** -- Small, Women and Minority-owned businesses
- **IFB** – Invitation For Bid
- **RFP** – Request For Proposal

*eVA Quick Quote* - when this procurement tool is used only eVA registered vendors participate unless the buyer faxes or emails the information to non-registered vendors. At the buyer’s discretion, awards may be made to non-registered eVA vendors.

### 4.4 eVA

**4.4.1** Radford University is required to use the Commonwealth of Virginia’s e-Procurement System, referred to as eVA. Generally purchase requirements, regardless of dollar amount, must be processed in eVA, the Commonwealth’s electronic purchasing system which integrates to Banner Finance.

### 4.5 Open Commitments

The Banner Finance system establishes an encumbrance to the applicable fund/organization/account/program (FOAP) for every purchase order issued. University personnel responsible for departmental budgets must carefully track open commitments. Any discrepancies or irregularities should be reported to the Department Procurement and Contracts immediately.

### 4.6 Construction or Renovation Procurements

**4.6.1** State (Department of Professional and Occupational Regulation - DPOR) and University procedures require that renovation or construction related procurements must be reviewed in advance by Facilities Planning and Construction or Facilities Management to ensure compliance with university space planning, safety and maintenance requirements. Call the appropriate office for assistance. The telephone number for Facilities Planning & Construction and the University Safety Director is 7812. The telephone number for Facilities Management is 7803.
4.6.2 Contractor’s License. If a procurement of $1,000 or more involves construction, removal, repair or improvement of any building or structure permanently affixed to real property or any other improvement to such real property, the contractor performing the work must possess one of the following licenses issued by the State Board of Contractors for the type of work involved:

- **Class A contractors** – perform or manage construction, removal, repair, or improvements when (i) the total value referred to in a single contract or project is $120,000 or more, or (ii) the total value of all such construction, removal, repair, or improvements undertaken by such person within any 12 month period is $750,000 or more;

- **Class B contractors** – perform or manage construction, removal, repair, or improvements when (i) the total value referred to in a single contract or project is $7,500 or more, but less than $120,000, or (ii) the total value of all such construction, removal, repair, or improvements undertaken by such person within any 12 month period is $150,000 or more but less than $750,000 (Contractor license C for all such work exclusive of electrical, plumbing, and HVAC); or,

- **Class C contractors** – perform or manage construction, removal, repair, or improvements when (i) the total value referred to in a single contract or project is over $1,000 but less than $7,500, or (ii) the total value of all such construction, removal, repair, or improvements undertaken by such person within any 12 month period is $150,000. The Board of Contractors shall require a master tradesmen license as a condition of licensure for electrical, plumbing and heating, ventilation and air conditioning contractors. (Contractor license B or A for all such work including electrical, plumbing, and HVAC).

Contractors must be licensed in the proper classification and specialty to perform the work required. If there is any question whether a licensed contractor is required for a specific procurement, call Procurement and Contracts at 831-5419.

If you have questions whether a vendor has a valid contractor’s license, call the Commonwealth of Virginia Department of Professional and Occupational Regulations, Board of Contractors at #804-367-2785 or use the license lookup feature on their website at [http://www.dpor.virginia.gov/dporweb/con_main.cfm](http://www.dpor.virginia.gov/dporweb/con_main.cfm).

4.7 Purchases of Information Technology Equipment, Software, and Services

Purchases of Information Technology equipment, software, and services must be approved by the Division of Information Technology. The approval will be obtained when the proper account code and/or commodity code (NIGP) is used when entering eVA requisitions.
References:


Appendix C: Rules Document [https://vascupp.org/rules.pdf](https://vascupp.org/rules.pdf)

Appendix K: Small Purchase Charge Card (SPCC) procedures

Appendix L: Radford University Food and Beverage Policy [http://www.radford.edu/content/dam/departments/administrative/financial-services/policies-procedures/FoodBeveragePolicy708.pdf](http://www.radford.edu/content/dam/departments/administrative/financial-services/policies-procedures/FoodBeveragePolicy708.pdf)


Appendix N: Radford University Promotional Items Policy [http://www.radford.edu/content/dam/departments/administrative/financial-services/policies-procedures/PromotionalItemsPolicyrevised09022010.pdf](http://www.radford.edu/content/dam/departments/administrative/financial-services/policies-procedures/PromotionalItemsPolicyrevised09022010.pdf)

Appendix O: Radford University Improper University Expenditures [http://www.radford.edu/content/dam/departments/administrative/financial-services/policies-procedures/ImproperUniversityExpenditures.pdf](http://www.radford.edu/content/dam/departments/administrative/financial-services/policies-procedures/ImproperUniversityExpenditures.pdf)


Appendix Q: Radford University Travel Policy [http://www.radford.edu/content/financial-services/home/forms.html#par_heading](http://www.radford.edu/content/financial-services/home/forms.html#par_heading)