

USF Institute of Applied Engineering (IAE)

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Approval: USF IAE BOD 10/14/2020	Subject: Procurement and Supplier Diversity Policy
Effective date: 10/14/2020	

I. PURPOSE

In order to meet IAE’s mission, IAE shall administer a competitive solicitation process to acquire quality goods and services at the best possible value, while promoting fair and open competition and preserving the integrity of IAE’s purchasing and contracting activity. IAE shall procure goods and services on a competitive basis to the maximum practical extent consistent with the objectives and requirements of this policy, as well as, its sponsored contracts and grants. Within this context, IAE is committed to promoting opportunities for minority-, women-, and veteran-owned business enterprises and believes a diverse supplier base contributes to the economic progress and strength of the community, as well as, IAE.

II. POLICY

A. COMPETITIVE SOLICITATION - IAE adopts the following thresholds and procedures to serve as a framework for competitive solicitation:

- 1. Less than \$5,000** - Formal written price quotes are not required for the purchase of goods and services less than \$5,000. However, verbal quotes are to be documented in the purchase request process.
- 2. \$5,000 to \$25,000** - The purchase of goods and services with a value greater than or equal to \$5,000 and less than \$25,000 must have at least two quotations in either verbal or written form except when made as a documented sole source purchase. All quotes are to be documented in the purchase request process.
- 3. \$25,000 to \$100,000** – The purchase of goods and services with a value greater than or equal to \$25,000 and less than \$100,000 requires at least three written quotations except when made as a documented sole source purchase. All quotes are to be documented in the purchase request process.
- 4. \$100,000 and Greater** - The purchase of goods and services in an amount greater than or equal to \$100,000 shall require a public solicitation except when made as a documented sole source purchase. The following guidelines are offered when conducting a public solicitation:
 - i. Public solicitations shall be posted on the IAE website and accessible by the public. Each potential respondent must be provided the same information and requirements associated with a given public solicitation. IAE will be as specific as possible with requirements (e.g., manufacturer name and part number if

available, description of goods and services, the delivery location, delivery/performance dates, etc.).

- ii. Provide contact information for potential respondents that may have questions regarding the solicitation.
 - iii. Provide a solicitation schedule, including all relevant deadlines, and clear submission instructions.
 - iv. A summary of the results and awarded supplier response are to be documented in the purchase request process.
5. Purchases shall be made based on the best value to IAE considering qualifications, experience, timing, and price.
 6. Purchases may not be divided or subdivided for the purpose of circumventing the competitive solicitation thresholds and procedures established herein.

B. SOLE SOURCE PURCHASES - The competitive solicitation requirements may be waived for purchase of goods and services under the following conditions:

1. The purchase of good and services available from only one supplier, including, but not limited to:

- i. Equipment, including repair or replacement parts, for which there is no comparable competitive product as determined by an IAE subject-matter expert.
- ii. A component, replacement part, or service for which there is no commercially available substitute, and which can be obtained only from the manufacturer or a manufacturer-approved provider.
- iii. An item where compatibility is the overriding consideration, such as computer operating software enhancements for an existing system.
- iv. A supply, equipment, part, service or supplier that, due to technically constraining factors associated with scientific research, are needed to ensure the fairness and validity of the underlying research.
- v. Continuation of an existing contract when work is so closely related to that of the uncompleted basic contract that it would not be feasible to consider another potential contractor.
- vi. Services for which divulging proprietary security processes to non-contracted providers would be necessary.

2. The purchase of goods and services due to an emergency - Every attempt will be made to secure necessary goods and services during an emergency. If the IAE CEO determines, in writing, that an immediate danger to the public health, safety, welfare,

or other substantial loss to USF or IAE may otherwise occur, then the IAE Executive Director for Enterprise Operations or higher-level management position may proceed with authorizing a purchase without competitive bidding.

3. The purchase of goods and services for sponsored research contracts or grants when the IAE Executive Director for Enterprise Operations certifies that, in a particular instance, it is necessary for the efficient or expeditious prosecution of a research project in accordance with sponsored research procedures, including, but not limited to:

- i. A certain supplier is specified in a prime contract or grant award.
- ii. A certain supplier is approved in writing by the prime contractor or granting agency in accordance with the provisions of the prime contract or grant award.
- iii. The purchase of specific goods or services from a certain supplier can be demonstrated to be more efficient or expeditious based on compatibility, availability, or the current capabilities of the Principal Investigator and staff.
- iv. The purchase of specific goods or services from a certain supplier can be demonstrated to be necessary to meet the time requirements of the prime contract or grant award.
- v. The purchase of specific goods or services from a certain supplier can be demonstrated to be mandated by scientific or technical requirements.
- vi. The purchase of specific goods or services from a certain supplier can be demonstrated to be at a cost below industry norms.
- vii. Other conditions which can be demonstrated to meet the statutory criteria of "necessary for the efficient or expeditious prosecution of a research project". The specific condition must be fully explained.

4. Waiver of competitive solicitation requirements should be limited to circumstances in which such action is in furtherance of IAE's mission.

5. A written explanation justifying the basis for the sole source purchase in accordance with this Policy must be approved by the IAE Executive Director for Enterprise Operations or higher-level management position and documented in the purchase request process. In the case of the purchase of goods and services due to an emergency, this may be documented retroactively.

6. When foregoing the competitive solicitation process, a written quote from the supplier must still be documented in the purchase request process.. In the case of the purchase of goods and services due to an emergency, this may be documented retroactively.

C. CONTRACT REQUIREMENTS - All purchases under this Policy must be awarded in accordance with IAE Policy 400-01, Signature Authority and Expenditures.

D. SUPPLIER DIVERSITY - IAE shall make a “good faith” effort in the utilization of diverse business enterprises, which include minority-, women-, and veteran-owned businesses, in all sourcing initiatives and purchasing events, to assist IAE in increasing actual spend with diverse owned suppliers. As such, IAE will use USF Policy #5-030, Supplier Diversity, to provide a framework for supplier diversity implementation.

Distribution:

1. IAE Board of Directors
2. Staff

Policy Owner: This policy was developed by the IAE Executive Director for Enterprise Operations. Any questions regarding this policy should be directed to 813-974-6557.