

Our Mission

Purchasing and Contracting Services (PCS) is a team of business professionals dedicated to public service and advancing the University's (UO's) mission. We are a service unit that empowers campus stakeholders to accomplish their goals, while successfully balancing efficiency, innovation, and risk. We accomplish this mission by:

- Obtaining the best value for UO and its stakeholders.
- Providing timely, creative, strategic, and practical business services.
- Fostering a climate of good faith, fair dealing, and compliance.
- Promoting access to UO business opportunities.
- Partnering in the development and execution of UO initiatives.

Our Values

We use the following operational values to frame our policy decisions, workflow systems, procurement activities, contracts, oversight duties, and customer interactions:

- Obtain best value by minimizing the total cost of ownership of goods, services, systems, policies, and processes.
- Understand that change is constant and inevitable. Plan for and make incremental, managed change.
- Continuously improve.
- Utilize systems to make rule-based decisions; utilize people to make decisions that require discretion and thought.
- Know that risk cannot be eliminated, only mitigated. Avoiding all risk eliminates all opportunity.
- Be proactive, not reactive.
- Approach conflict from a "Me→Us→You" perspective.
- Value everyone's contribution, understand outside perspectives.
- Communicate in a manner that is accessible to our audiences.
- Always offer solutions to add value.

PLEASE NOTE: In our efforts for continuous improvement this document may change periodically. As a result, please revisit these procedures regularly for up-to-date information regarding UO's purchasing and contracting procedures.

Contents

- 1. Fiduciary Responsibilities..... 3
- 2. UO Procurement and Contracting Code of Ethics and Procurement Evaluation Declaration. 3
- 3. Additional Procedures for Purchasing. 4
- 4. General Responsibilities for Purchasing and Contracting..... 4
- 5. Procurement Methods & Procedures..... 5
- 6. Competition Not Required for the Following:..... 11
- 7. Written Contract Requirement - Purchases of Goods or Trade Services Over \$10,000. 15
- 8. Real Property..... 17
- 9. Contract Administration..... 18
- 10. Purchasing and Contracting Authorities. 18
- 11. Training Programs..... 22
- 12. Forms. 22
- 13. Support and Review..... 23

1. Fiduciary Responsibilities

UO employees engaged in purchasing and contracting have a fiduciary responsibility to ensure that all UO purchasing and contracting will be administered in compliance with federal and state laws and regulations. Further, UO requires purchases to be administered in a manner that promotes open and fair competition to the maximum extent feasible. UO's purchases will support its goals of efficiency, quality, effectiveness, and sustainability. No contract for the purchase of goods or services will be made without proper supervisory and administrative approval.

2. UO Procurement and Contracting Code of Ethics and Procurement Evaluation Declaration

2.1 UO Procurement and Contracting Code of Ethics (Code of Ethics)

The [Code of Ethics](#) applies to all UO employees involved in the procurement of goods and services.

2.1.1 Annual Statement – Code of Ethics

Each year, all UO employees routinely involved in making, negotiating, or approving purchasing or contracting decisions must sign a statement that the employee has reviewed and will comply with the Code of Ethics. In addition to the Annual Statement - Code of Ethics, if the employee participates in a formal procurement process (RFP or ITB,) the employee must also sign a Declaration of No Conflict of Interest as required below.

2.1.2 Ad Hoc Basis.

UO employees not involved in the procurement process as part of their routine duties, but who will be involved in a particular project in which they will determine compliance with required specifications, develop or specify performance requirements, or make or approve a purchase or contract, must sign the Code of Ethics at the commencement of their involvement in such project. In addition to the Code of Ethics, if the project the employee is participating in is a formal procurement process (RFP or ITB,) the employee must also sign a Declaration of No Conflict as required below.

2.2 Declaration of No Conflict

UO employees, at the commencement of their participation in a formal procurement process, including participation on a selection committee, determination of compliance with specifications or performance requirements, or the negotiation or approval of purchasing or contracting decisions under the formal procurement process, must complete and sign a Declaration of no conflict.

3. Additional Procedures for Purchasing

3.1 Oregon Forward Entities.

Oregon Forward Entities are nonprofit organizations whose purpose is to provide employment to individuals with disabilities. UO and all its departments must purchase needed goods and services from an Oregon Forward Entity if those goods and services meet all the following:

- 3.1.1 The needed goods or services have been determined to be suitable by the State of Oregon. An Oregon Forward Entity may offer other goods or services, but only those goods or services determined suitable are required to be purchased from an Oregon Forward Entity.
- 3.1.2 The suitable goods or services meet the department's specifications.
- 3.1.3 The Oregon Forward Entity is willing and able to comply with UO Policies.
- 3.1.4 The suitable goods or services are available within the time required by the department.

If the department is purchasing from an Oregon Forward Entity and the above requirements are met, the department is not subject to any Competitive Process requirements.

3.2 Contracting with Historically Underutilized Businesses (HUBs)

UO is committed to promoting contracting opportunities for HUBs and Oregon based businesses to the greatest extent possible. In support of UO's commitment, UO will, when feasible, solicit quotes from HUB suppliers for non-exempt purchases over \$50,000 by either directly soliciting quotes or by posting public procurements on the State of Oregon's public procurement system. Additionally, UO departments may promote contracting opportunities for Emerging Small Businesses using UO's Emerging Small Business Program. For more information on HUBs or UO's Emerging Small Business Program please contact PCS.

4. General Responsibilities for Purchasing and Contracting

Outlined below are the responsibilities, duties and reviews required for UO's purchasing and contracting processes.

4.1 Programmatic Review

Programmatic review and approval ensures that the proposed purchase or contract has a business purpose that supports the department's objectives and UO's mission. Programmatic review and confirmation is the primary responsibility of the Department's Budget Authority and their designees. Each department initiating the purchase process should perform this review at the initiation of the process.

4.2 Budgetary Review

Budgetary Review and approval ensures that there are sufficient funds available to incur the expense for the proposed purchase or contract. Budgetary review and confirmation is the primary responsibility of the Department's Budget Authority and their designees. Departments must ensure funds are available and properly budgeted prior to making any purchasing commitment.

4.3 Compliance Review

Compliance review and approval ensures that the proposed purchase or contract has met all applicable laws, regulations, policies, and procedural requirements and that the purchase or contract is completed using good business practices. Compliance review and confirmation is a shared responsibility of PCS, UO employees with designated contracting authority, the Department's Budget Authority, and their designees, and UO Regional Business Hubs.

Generally, the department develops the specifications and evaluation criteria, adheres to the required Competitive Process, completes purchase documents, ensures appropriate review and approvals, provides the proper accounting codes, monitors the purchase through completion and submits payment requests. PCS provides departments with assistance in fulfilling any Competitive Process requirements, creating the purchase documents, negotiating the agreement, and approving purchases or contracts as required by these procedures. Further, PCS is available if the department wishes to obtain additional assistance.

5. Procurement Methods & Procedures

5.1 Basic Concepts

5.1.1 Procurement Steps

The basic steps to complete a procurement of goods or services are:

- 5.1.1.1 Develop minimum specifications and an estimated dollar value of the procurement.
- 5.1.1.2 Confirm funding approved and available for the procurement.
- 5.1.1.3 Determine all policies and procedural requirements applicable to the procurement.
- 5.1.1.4 Confirm if an Oregon Forward Entity is available to provide the needed goods or services.
- 5.1.1.5 Determine if a Duck Depot catalog supplier can provide the needed goods or services.
- 5.1.1.6 Determine if an existing Price Agreement or other cooperative agreement provides the needed goods or services.
- 5.1.1.7 Perform a Competitive Process, if required, and promote the opportunity to HUB suppliers to the extent feasible. Select a supplier based on Best Value criteria and, as necessary to fully realize Best Value potential, negotiate final contract terms and conditions. Note that Competitive Range or Conditional Contract Award may be selected prior to negotiating final contract terms and conditions.
- 5.1.1.8 Select a purchase method (*i.e.*, contract, purchase order, phone, or online order, *etc.*) and complete any required information or documents for the method.
- 5.1.1.9 Ensure that all required approvals have been obtained.

- 5.1.1.10 Make the purchase.
- 5.1.1.11 Monitor and provide administrative oversight to ensure the purchase is completed pursuant to the terms of the agreement and then pay the supplier accordingly.

5.1.2 **Dollar Value of Contract or Procurement.**

The dollar value of a Contract or Procurement is the sum of all costs UO intends or is required to pay or may elect to pay to a supplier in the first term of a transaction. Dollar amounts for any renewal terms will be assessed on their own for the purposes of determining renewal thresholds.

5.1.2.1 **Split Transactions.**

A transaction cannot be intentionally divided into multiple transactions with the same supplier for the purpose of keeping each individual transaction under a competitive bid threshold established under these procedures. The dollar value of a set of transactions is cumulative. Reasonably foreseeable future transactions should be taken into consideration when calculating the value of a transaction in the present. Ex. Intentionally entering only into 1-year contracts solely to avoid competitive procurement would be considered a split transaction.

5.1.3 **Best Value**

This basic concept in UO purchasing and contracting means that UO can consider factors other than contract price in making its purchasing decisions. Although UO is sensitive to obtaining the best price, departments are allowed to consider other costs or values, such as warranties, performance, quality, life cycle costs, cost of ownership, cost of acquisition, cost of termination or disposal, sustainability attributes, training, shipping, *etc.*

5.1.4 **Brand Name Specification**

A department may specify a brand name in its procurement specifications if that named product or service has attributes not found in any other goods and services of like kind. The department must work with PCS to determine whether a brand name may be included in its procurement specifications. Otherwise, a department may use a brand name only with the qualification that any other brand of products of equal or greater specifications are acceptable.

5.1.5 **Disqualification**

UO may not contract with an entity that has been disqualified from eligibility for awards of state or federal contracts. The department should contact PCS if they want to confirm whether an entity is on the list or if they believe an entity has acted in a way that should result in their disqualification from state contracts.

5.2 Contracting With Current and Former Employees.
Pursuant to Department of Labor and BOLI regulations, UO *may not* contract with current UO employees to perform services outside of their current employment. Current employees cannot be considered independent contractors in addition to their status as an employee, even if the separately contracted work is outside the scope of the employee’s usual duties. Departments wishing to use the services of a current UO employee should consult Human Resources to determine if the services can be provided under their current employment. Former UO employees are generally not considered independent contractors either, especially when the services contracted are within the scope of their previous employment. Departments should consult Human Resources and PCS before contracting with former UO employees.

5.2.1 Contracting with Independent Contractors in Foreign Countries.
Contracts with individual independent contractors in foreign countries must be approved by the Chief Procurement Officer or their designee. The Chief Procurement Officer may require outside subject matter expert review of Contracts with individual independent contractors in foreign countries that exceed \$5,000. Departments will bear the cost of retaining such experts.

5.3 Compliance with Uniform Guidance
To comply with the requirements for federal grant administration established under 2 CFR 200 (commonly known as the “Uniform Guidance”), UO will adopt the procurement processes established thereunder for purchases that are funded, in whole or in part, with federal grant funds. Accordingly, UO will record the: (a) rationale for the method of procurement; (b) rationale for the type of contract used; (c) basis for supplier selection or rejection; and (d) basis for the contract price for each transaction funded by a federal grant. For purchases under \$50,000, documentation of the department’s determination of a reasonable business purpose and purchase price is sufficient to satisfy the documentation requirements.

5.3.1 Cost and Price Analysis for Grant Funded Purchases
UO will conduct a cost and price analysis on all purchases funded by federal grants valued over \$250,000 or valued over \$50,000 and purchased from a sole source.

5.4 Direct Procurement (Purchases less than or equal to \$50,000) Transaction Methods
A department may, without competition, procure goods or services directly from a single supplier if the amount of the procurement does not exceed \$50,000 and if the department determines the contract price is fair and reasonable. A written contract will likely be required. See sections 7 and 10 for written contract requirements and delegated authorities.

5.5 Informal Procurement (Purchases greater than \$50,000 and less than or equal to \$250,000)

5.5.1 Solicitation of Quotes for Goods, Trade Services, Transportation Services, Hotels, Catering, and Event Services

Upon approval from the Chief Procurement Officer or designee, goods, trade services, transportation services, lodging or hotels services, catering, or event services may be procured by directly soliciting quotes from at least 3 qualified suppliers. The form of the solicitation must be approved by PCS before it is transmitted to prospective suppliers. At least 3 quotes must be obtained, or written documentation must be provided detailing the efforts made to obtain an adequate number of quotes. Once these requirements are met, the department may select the supplier that provides the best value based upon the evaluation criteria and final approval by PCS.

5.5.2 Solicitation of Quotes for Other Services as Approved by PCS

Upon approval from the Chief Procurement Officer, Associate Director of Contracting, or Strategic Procurement Manager, other services may be procured by directly soliciting quotes from at least 3 qualified suppliers. The form of the solicitation must be approved by PCS before it is transmitted to prospective suppliers. At least 3 quotes must be obtained, or written documentation must be provided detailing the efforts to obtain an adequate number of quotes. Once these requirements are met, the department may select the supplier that provides the best value based upon the evaluation criteria and final approval by PCS.

5.5.3 Requests for Quotes

For all other purchases over \$50,000 but less than \$250,000, where a direct solicitation of quotes is not appropriate, UO should undertake an informal procurement process commonly known as a Request for Quotes. As part of this process, UO must post an advertisement on the UO procurement website for at least 5 business days and attempt to obtain at least 3 quotes. At least one HUB supplier must be solicited, if available. The Department and PCS will develop and then post a solicitation document to the UO website. At least 3 quotes must be obtained, or written documentation must be provided detailing the efforts to obtain an adequate number of quotes. Once these requirements are met, the department may select the supplier that provides the best value based upon the evaluation criteria and final approval by PCS.

5.5.4 UO will maintain a record for any informal procurement that includes, but is not limited to, the: (a) rationale for the method of procurement; (b) rationale for the type of contract used; (c) basis for supplier selection or rejection; and (d) basis for the contract price for each transaction. This record may include but is not limited to the following:

5.5.4.1 Specifications for the product or service.

5.5.4.2 All award criteria, including contract price and any other factors used.

5.5.4.3 Request for Quotes or solicitation documents.

- 5.5.4.4 Documentation of solicitation communications, quote revisions and supplier communications.
- 5.5.4.5 All supplier quotes or responses to the informal procurement.
- 5.5.4.6 Copy of purchase document (*i.e.*, PSC, custom contract, or purchase order.)
- 5.5.4.7 Documentation of purchase completion.
- 5.5.4.8 Documentation of purchase payment (to be maintained by the department).

5.6 Formal Procurements (Purchases Greater than \$250,000.)

For any purchase greater than \$250,000, UO should undertake a formal procurement process using either an Invitation to Bid (ITB) or a Request for Proposal (RFP). PCS will facilitate formal procurements. Departments are encouraged to contact PCS as early as possible for formal procurement assistance.

UO will maintain a record for any formal procurement that includes but is not limited to the: (a) rationale for the method of procurement; (b) rationale for the type of contract used; (c) basis for supplier selection or rejection; and (d) basis for the contract price for each transaction This record may include but is not limited to the following:

- 5.6.1 Minimum specifications for the product or service.
- 5.6.2 All award criteria, including contract price and any other factors used.
- 5.6.3 ITB or RFP.
- 5.6.4 Documentation of advertisement and supplier Bids or Proposals.
- 5.6.5 All supplier correspondence connected to the formal procurement.
- 5.6.6 Documentation of how the successful supplier was selected including all scoring sheets and any other notes or forms used by anyone involved in scoring or ranking the responses or in determining the successful supplier.
- 5.6.7 Copy of resulting Contract.
- 5.6.8 Documentation of all required approvals, including UO General Counsel legal review approval if required.
- 5.6.9 Documentation of purchase completion.
- 5.6.10 Documentation of purchase payment (to be maintained by the department).

5.7 Price Agreements (including Retainer Contracts and cooperative agreements).

Price Agreements are agreements in which the supplier provides specific items or services to UO at a set price, during a specified period of time and subject to agreed terms and conditions. Departments may be able to obtain additional discounts not otherwise available and may not be subject to competition or legal review requirements. Price Agreements can save UO departments time, money and may result in a best value purchase solution. Departments are urged to use Price Agreements and may be required to use them for certain procurements.

- 5.7.1 There are two different categories of Price Agreements that UO may purchase from:

- 5.7.1.1 UO Price Agreements and State of Oregon Price Agreements. Departments may access and buy off these agreements without additional review by PCS beyond review of the purchase order or buying instrument as required by these procedures.
- 5.7.1.2 Cooperative or Group Purchasing Organization (“GPO”) price agreements (“Cooperative Agreements”), or other Public Entity price agreements. Departments may access and buy off these agreements after PCS has reviewed and approved their use. The Chief Procurement Officer or designee, may approve a Cooperative Agreement so long as that Agreement was procured in a manner that meets the following criteria:
 - a. The opportunity was advertised in the State of Oregon for the appropriate amount of time, either in print or online.
 - b. The procurement process was conducted in a fair and competitive manner.
 - c. The decision to award is based on reasonably objective qualitative and quantitative criteria.
 - d. The agreement contains the appropriate jump on language allowing UO to utilize the agreement.

5.8 **Blanket GPO Approval**

The Chief Procurement Officer or their designee, may approve all Cooperative Agreements offered by a particular GPO, en masse, after reviewing the GPO procurement processes and determining the process meets the criteria established in Section 5.6.1.2 above.

5.9 **Alternative Procurement**

For any purchase over \$50,000, the Chief Procurement Officer or designee, may authorize alternative procurements when traditional competitive processes are unlikely to produce proposals that are responsive to UO objectives or otherwise diminish UO’s obligation to secure best value in connection with the purchase of goods and services. The Chief Procurement Officer may approve an alternative process in the following circumstances:

- 5.9.1 There are a limited number of qualified respondents able to respond to a public procurement.
- 5.9.2 Qualified respondents, including but not limited to HUB certified suppliers, are not able or are unwilling to respond to a formal procurement.
- 5.9.3 Due to a broad range of possible functional solutions and pricing, UO is unable to develop an adequate specification or project budget without significant supplier engagement.
- 5.9.4 The department is not required under these procedures to undertake a competitive process but believes performing an alternative competitive process is in the best interest of the department and UO.

- 5.9.5 As part of an alternative competitive process, UO must post an advertisement on the UO procurement website for at least 5 business days. Departments must create the procurement posting document and submit the document with a posting request to PCS. PCS will review and revise the advertisement in consultation with the department. PCS will then post the advertisement to the UO website. The procurement advertisement must clearly enumerate the process by which UO will undertake the posted procurement. The enumerated process may not require that respondents submit formal proposals, but the process must otherwise be devised in a manner that ensures compliance with all applicable law, regulations, policies, procedures, and ethical rules. Departments may obtain quotes via the UO website posting or by contacting suppliers directly. Once these requirements are met, the department may select the supplier that provides the best value based upon the evaluation criteria. UO will maintain a record for any alternative Competitive Process that includes, but is not limited to, the: (a) rationale for the method of procurement; (b) rationale for the type of contract used; (c) basis for supplier selection or rejection; and (d) basis for the contract price for each transaction. This record may include but is not limited to the following:
- 5.9.5.1 Minimum specifications for the product or service.
 - 5.9.5.2 All award criteria, including contract price and any other factors used.
 - 5.9.5.3 Alternative Competitive Process approval from Chief Procurement Officer.
 - 5.9.5.4 Alternative Competitive Process solicitation documents.
 - 5.9.5.5 Documentation of solicitation document revisions and supplier communications.
 - 5.9.5.6 All supplier responses to the alternative Competitive Process.
 - 5.9.5.7 Copy of purchase document (i.e., PSC, custom contract, or purchase order.)
 - 5.9.5.8 Documentation of all required approvals, including UO General Counsel legal review approval, if required.
 - 5.9.5.9 Documentation of purchase completion.
 - 5.9.5.10 Documentation of purchase payment (to be maintained by the department).

6. Competition Not Required for the Following:

6.1 Emergency Contracts

UO's President or Senior Vice President for Finance and Administration (SVPFA), or designee, may declare an Emergency when such a declaration is deemed appropriate. The reasons for the declaration will be documented and will include justifications for the procedure used to select the entity for a Contract within the scope of the Emergency declaration. After the President or SVPFA or designee has declared an Emergency, UO may negotiate a Contract with any qualified entity for services included in the scope of the Emergency. UO will maintain appropriate records of negotiations carried out as part of the contracting process.

6.2 Sole Source

If a department believes that, due to specific needs or qualifications, the goods or services it requires are only reasonably available from a Single Seller, the department may request PCS to approve the use of a Sole Source process for the procurement. The request to PCS must include written documentation of the proposed procurement and the basis for determining that the goods or services are available only from a Single Seller. The department will not proceed with its procurement as a Sole Source until PCS has received the written documentation and approved the use of a Sole Source process.

A compelling Sole Source justification demonstrates the link between the department and the program requirements and why the proposed supplier's methods or goods are the only source reasonably capable of meeting those requirements.

As part of the Sole Source process, UO must post an advertisement on the UO procurement website for at least seven calendar days. Departments must create the Sole Source notice and submit the notice with a posting request to PCS. The notice must describe the goods or services to be acquired, identify the Single Seller, and include the date, time, and place that protests are due (must be at least 7 days from date of posting.) PCS will review and revise the advertisement in consultation with the department. PCS will then post the advertisement on the UO website.

After the posting period and successful resolution of any protests, the department may proceed to obtain any additional required approvals. Once all required approvals are obtained, UO may contract directly with the Single Seller. PCS will provide support throughout the process upon department request. If there is valid protest, then PCS will conduct a competitive procurement process.

6.3 Special Entity

UO may execute Contracts without using a Competitive Process when the contracting entity is a federal, state, or local governmental agency, or an Oregon Forward Entity certified by the Oregon Department of Human Services or the Oregon State Procurement Office. UO also may participate in cooperative procurements with other contracting agencies if it is determined, in writing, that the solicitation and award process for the Contract is reasonably equivalent to the respective process established in these rules and that the solicitation was advertised in Oregon.

6.4 Amendments to Contracts

Contracts can be amended without performing a competitive process if the changes to the statement of work are within the original scope of the contract and any increase in the contract dollar amount does not result in the total value of the contract exceeding the dollar threshold of the original procurement method. If the proposed amendment is outside the original scope or increases the total contract value beyond the dollar threshold of the original procurement method, the contract may not be amended without written approval by the Chief Procurement Officer upon a showing of good cause by the department.

6.5 Expired Contracts

If the term of a contract has expired, but the expired contract had allowed for additional term(s), the contract may be reinstated without a new competitive process upon the review and approval by the Chief Procurement Officer or their designee. If approved, PCS will prepare required Contract reinstatement documents.

6.6 Exemptions

Subject to the fulfillment of the requirements set forth below, the types of Contracts listed in this section do not need to be competitively procured. If a department believes a transaction should fall within one of the exemptions listed below, the department should internally review and determine if the exemption applies and if using the exemption is in the best interest of the department and UO.

PCS will document the determination to use an exemption in writing in the Purchasing Portal. If the department proposes to use an exemption and the resulting contract will require PCS approval, the department must submit written documentation to PCS of the proposed transaction, identification of the proposed exemption, and verification of the determination that using the exemption is in the best interest of UO.

The department will not proceed with the transaction under an exemption until PCS has received the written documentation and PCS has acknowledged in writing that the proposed transaction fits within the identified exemption. After acknowledgment, the department and PCS will proceed to contract directly with the supplier the department has selected. PCS is available to provide support throughout the process upon department request.

- 6.6.1 Educational services that relate directly to the instruction of UO students.
- 6.6.2 Advertising, ad aggregators, and media services.
- 6.6.3 Price-regulated goods and services, including utilities, where the rate or price for the goods or services being purchased is established by a federal, state, or local regulatory authority.
- 6.6.4 Goods or services under federal contracts. When the price of goods and services has been established by a contract with an agency of the federal government pursuant to a federal contract award, UO may purchase the goods and services in accordance with the federal contract. In addition, UO may purchase specific equipment that is only available from one source or use specific entities that are expressly required under the terms of the contract.
- 6.6.5 Protected Intellectual Property. Protected Intellectual Property materials covered by this exemption may include, but are not limited to, copyrighted materials, licenses of patents, textbooks, workbooks, curriculum kits, reference materials, software, periodicals, library books, library materials, and audio, visual, and electronic media.
- 6.6.6 Investment contracts and retirement plan services, excluding consulting services.
- 6.6.7 Food and food-related products.

- 6.6.8 Maintenance services directly from the Supplier providing the goods or services or the original equipment manufacturer or creator of the goods or services.
- 6.6.9 Used or pre-owned personal property, that was not originally used by, or loaned to UO.
- 6.6.10 Goods or services purchased for resale to outside entities.
- 6.6.11 Goods or services related to intercollegiate athletic programs.
- 6.6.12 Cadavers or cadaveric organs.
- 6.6.13 Hotel reservations at a hotel that is the site for the conferences or workshops organized by outside entities.
- 6.6.14 Dues, registrations, and membership fees.
- 6.6.15 Gasoline, diesel fuel, heating oil, lubricants, natural gas, electricity, and similar commodities and products and the transportation thereof.
- 6.6.16 Supplies, maintenance, and services for ocean-going vessels when they are in a port other than home port.
- 6.6.17 Repair and overhaul of goods or equipment.
- 6.6.18 Goods or services purchased and provided in foreign countries.
- 6.6.19 Insurance and insurance-related contracts.
- 6.6.20 Grants, including services related to the development of grant applications and proposals.
- 6.6.21 Contracts for legal services, including professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which UO is or may become interested.
- 6.6.22 Contracts executed in connection with:
 - 6.6.22.1 The incurring of debt by UO, including but not limited to the issuance of bonds, and other debt repayment obligations, and any associated Contracts, regardless of whether the obligations that the Contracts establish are general, special, or limited.
 - 6.6.22.2 The making of program loans and similar extensions or advances of funds, aid, or assistance by UO to a public or private body for the purpose of carrying out, promoting, or sustaining activities or programs authorized by law.
 - 6.6.22.3 The investment of funds by UO as authorized by law and other financial transactions of UO that by their character cannot practically be established under the Competitive Process.
 - 6.6.22.4 Grant-funded projects where the providers of goods or professional or personal service are named in Grant or identified in the Grant budget, where the granting agency has issued an express waiver to a competitive process, or where the contracted party qualifies as a subaward grantee, unless UO determines it is in its best interest to require a Competitive Process.
- 6.6.23 Contracts for employee benefit plans as authorized by law.

- 6.6.24 Services provided by those in the medical community including, but not limited to, doctors, physicians, psychologists, nurses, veterinarians, and those with specific license to administer treatments for the health and well-being of people or animals.
- 6.6.25 Artists, musicians, performers, photographers, videographers, graphic designers, website designers, and speakers.
- 6.6.26 Sponsorship agreements for UO events or facilities.
- 6.6.27 Booth space for exhibits at conventions, recruitment events, trade shows, and similar events.
- 6.6.28 Third-party student recruitment service providers.
- 6.6.29 Group travel in foreign countries.

7. Written Contract Requirement - Purchases of Goods or Trade Services Over \$10,000

Purchases of goods or services under \$10,000, except those types of purchases listed under 7.1, do not require a written contract, so long as the goods or services purchased do not create significant risks for UO (i.e., fire dancers, dangerous animal shows, shows with pyrotechnics or stage/electric installations) and the transaction is not between UO and a UO employee. Any other transaction must always be documented by a written contract, regardless of the total value of the contract. Please note: It is best practice to have a written contract in place for the purchase of all goods, trade services, ad placements, or speakers and performers. Electing not to initiate a written contract as allowed under this section is at the department's own risk. Services purchased from individual independent contractors without a written contract may not be paid via PCard.

7.1 Written Contract Requirements for Services Under \$10,000.

A written contract is required when purchasing services in any dollar amount that include the following elements:

- Licensing of UO owned intellectual property (patents, copyrights, trademarks, tangible results of research, and trade secrets) aside from advertisement placements.
- Unsupervised contact with minors by the contractor.
- Exchange of sensitive or confidential data between UO and the contractor.
- The generation of intellectual property (patents, copyrights, trademarks, tangible results of research, and trade secrets), including but not limited to, software development, web development, art, music, or consultative services where the contractor provides deliverables beyond oral advice.
- Work provided by the contractor, the nature of which could be construed to form an employment relationship in the absence of a clear statement of work.
- Work that creates significant risk exposure to UO (e.g. fire dancers, whitewater rafting, operating vehicles, stage construction, amplified performances with complex electrical setups, dangerous animals, operating heavy equipment, etc.)
- Contracts with foreign individuals.

- Contracts that call for an individual independent contractor to provide more than 50 hours of work.
- Transactions involving facilities use, catering, group lodging, chartered transportation, or property loans.

Note: If you are uncertain about whether a written contract or purchase order is required, it is always best to err on the side of caution and issue a written contract or purchase order. Having a contract or purchase order in place is always the best practice. Suppliers will not be paid via invoice if they are on a federal debarment or exclusions list like OFAC or Sam.gov. Onboarding the supplier as a vendor in banner will ensure the check has occurred and should be done before any work starts.

7.2 Forms of Written Contract

A written contract includes any written agreement that meets the standard of a legally binding contract. These contracts must be signed by a UO employee with the appropriate level of contract authority, including authority delegated by the President, SVPFA, or [contracting authority delegated from PCS](#). See Purchasing and Contracting Authorities section below for more information on contracting authority.

7.3 Exemptions from written contract

7.3.1 Request to Buy Direct with PCard

When appropriate, PCS may grant exemptions to allow purchases without a written contract for commercial off-the-shelf goods or services, if the total purchase is less than or equal to \$50,000. These exemptions can be for one transaction or for recurring transactions. Any exemption must be approved by PCS and documented in writing.

7.3.2 Federal, State, or Local Government Agency.

The Chief Procurement Officer, or designee, may grant exemptions to allow purchases without a written contract for goods or services under \$50,000 when such goods or services are provided by a federal, state, or local government agency. Any exemption must be approved by PCS and documented in writing.

7.4 Click-Through or Shrink Wrap Agreements.

UO recognizes that computer software, ad placement, City of Eugene facilities use agreements, and other online goods or services are frequently purchased via the internet under “click-through” or “click-to-agree” terms and conditions, which may include payment and other terms. To the extent such terms are not negotiable and are available to the public, any UO employee with delegated contracting authority is authorized to purchase software, ad placement, City of Eugene facilities use agreements, goods, or services by clicking through those terms, up to their delegated limit of contracting authority. However, authority under this provision is limited to purchases not exceeding \$25,000. No UO employee should agree to a “click-to-agree” license for software, or services used in connection with a federal award (i.e., a federal grant or contract) unless approved by the Chief Procurement Officer or their designee. Furthermore, no

UO employee should agree to a “click-to-agree” license for software or systems that will house High Risk Data, as defined in the University Information Asset Classification and Management Policy, unless approved by the Chief Procurement Officer or their designee. Note: Any purchase of software must conform with University IT policy (i.e., security and accessibility policies).

Prior to clicking through any online terms and conditions, the UO employee with delegated contracting authority must read through all the terms and conditions associated with the non-negotiable click through agreement. UO authorized department representatives are not authorized to agree to terms and conditions that require compliance of areas outside of the departments control (e.g., agree that all of UO is subject to the agreement, agree that other departments or entities will take an action or have obligations under the agreement, or commit to terms that violate UO Policies or State and Federal laws.) UO employees with delegated contracting authority must ensure that any online subscription purchased allows for academic or commercial use. Department representatives are not authorized to consent to federal jurisdiction or otherwise waive eleventh amendment immunity rights. **Note: Click-through agreements with foreign software suppliers may not be paid for via PCard without approval from UO Business Affairs.**

7.5 Purchase Order

Purchase orders are a form of written contract. When using a purchase order, UO employees must use a PCS approved purchase order template containing UO standard terms and conditions. The PCS approved template is available on the [PCS Forms page](#). The department may issue a completed purchase order template directly to the supplier. The UO purchase order standard terms and conditions are required, unless the purchase order is subject to the terms and conditions of (a) a State of Oregon contract, (b) a UO approved cooperative agreement, or (c) a PCS approved contract or price agreement. The terms and conditions must be provided to the supplier. If the supplier requests changes to the standard terms and conditions or requires UO to agree to supplier terms and conditions to accept the purchase order, the department must contact PCS.

7.6 Invoices and Supplier Order Forms Incorporating UO Terms

Invoices issued or order forms provided by a supplier satisfy the written contract rules so long as the invoice or order form includes, or is accompanied by, a signed written acknowledgment indicating that the invoice or order form is subject and subordinate to UO’s applicable standard purchase order terms and conditions.

8. Real Property

8.1 Real Property Transactions

UO’s Board of Trustees must receive notice of all purchases, sales, leasing, or other transfers of real property that exceed a 20-year term and exceed \$5,000,000. UO’s Board of Trustees must approve all purchases, sales, leasing, or other transfers of real property that exceed a 20-year term and exceed \$8,500,000. Real property must be held in the name of the State of Oregon

acting by and through the Board of Trustees. For more information on the purchase and sale of real property, please contact PCS.

8.2 Leasing of Real Property

8.2.1 Lease of UO Real Property

Compliance with any applicable bond restrictions must be confirmed for any lease of UO-owned real property to a third party for less than fair market value or for a term of more than one year. For more information, please contact PCS.

8.2.2 Lease of Real Property by UO

If a department desires to lease real property from a third party for use by UO, the department should contact PCS. PCS will work with the department, Campus Planning and Real Estate, and the office of the SVPFA in completing such lease.

8.2.3 Use of UO Facilities

UO may allow the use of UO facilities by third parties if such third parties fully reimburse UO for all appropriate costs and such use is consistent with UO policies and missions. Please see PCS' website for Facilities Use Templates. *For any other real property matter, please contact PCS.*

9. Contract Administration

9.1 Purchasing and Contract Records

Each department must maintain records relating to all the department's purchasing and contracting transactions in accordance with the requirements of the UO Records Retention. The [UO Records Retention Schedule](#) can be found on their webpage. Record retention requirements include keeping copies of all department contracts, including purchase orders, all invoices, and any Competitive Process documentation.

10. Purchasing and Contracting Authorities

Two types of authority are required to make UO purchases or to execute UO Contracts. The first is the designation to commit department funds and the second is delegated contracting authority to enter into agreements on behalf of UO. Designation to commit department funds and contracting authority are two different types of authority and having one does not automatically grant any other authority. The [delegated contracting authority information page](#) provides greater detail.

10.1 Considerations for Delegation and Designation of Authority

10.1.1 Employee Position

When delegating authority consider the employee's position description, and the level of responsibility the employee holds within the department.

10.1.2 Approval Types

To make good purchasing and contracting decisions employees must be able to perform three types of approvals: Programmatic, Budgetary and Compliance.

10.2 Segregation of Duties

When structuring delegation of purchasing and contracting authorities the segregation of duties must be considered and applied. Segregation of duties means that one person should not be performing the functions of purchasing, receiving, and approving. These functions should be split up among office personnel to provide checks and balances and a clear segregation of purchasing duties. The goal is to achieve the best checks and balances possible within a given department, by involving at least two people in any one transaction.

10.3 Designation to Commit Department Funds

This is a designation to review and approve an intended expenditure of department funds or to provide internal approval to proceed with a department purchase. This is not delegated contracting authority to Sign Contracts.

Department Budget Authorities have the responsibility and the authority to provide internal approvals to expend department funds. Department Budget Authorities include deans, directors, department heads. The Department Budget Authority may designate other UO staff as authorized to commit department funds internally within their department. To designate UO staff the Department Budget Authority must ensure completion of the following requirements:

- 10.3.1 The Department Budget Authority's designation to commit department funds to a UO employee should be kept on file by the Department Budget Authority or their designee within their department.
- 10.3.2 The specified UO employee has a current signed statement on file within their department, stating they have reviewed and will comply with the Code of Ethics. The Signed statement must be filed annually.
- 10.3.3 PCS Training courses are strongly recommended but not required for an employee to be designated to commit department funds.

10.4 Delegated Contracting Authority (Less than or equal to \$25,000)

The President and Senior Vice-President of Finance and Administration delegate authority to sign contracts to UO employees. The Senior Vice-President of Finance and Administration has further delegated to the Chief Procurement Officer the authority to delegate contracting authority to UO employees to sign form contracts and purchase orders under \$25,000. UO employees do not have authority to sign a contract unless they have been given written delegated authority. Standard PCS Delegated Contracting Authority has been defined as level 1, otherwise known as L1 (less than or equal to \$10,000) and level 2, otherwise known as L2 (less than or equal to \$25,000).

10.4.1 Limitations on Delegated Contracting Authority

- 10.4.1.1 **Employees with L1 delegated contract authority may sign form contracts and POs, and place orders with a total value of no more \$10,000** (the list of acceptable forms to use with L1 delegated contracting authority can be found on the [delegated contracting authority page](#)) in accordance with the

written contract requirements in section 7 above. Employees with L1 authority may “click-through” supplier terms for transactions up to \$10,000 in accordance with Section 7.3 of these procedures. Employees with L1 delegated contracting authority may not sign custom or form contracts, contracts with UO employees, or any purchase order that exceeds \$10,000 of total value.

10.4.1.2 **Employees with L2 delegated contract authority** may sign form contracts and POs, and place orders with a total value of no more \$25,000 (the list of acceptable forms to use with L2 delegated contracting authority can be found on the [delegated contracting authority page](#)) in accordance with the written contract requirements in section 7 above. Employees with L2 delegated contracting authority may not sign custom contracts, contracts with UO employees, or contracts exceeding \$25,000 of total value. Employees with L2 authority may “click-through” supplier terms for transactions up to \$25,000 in accordance with Section 7.3 of these procedures. The Chief Procurement Officer may delegate to individuals with L2 contract authority additional authority to sign department specific form contracts not posted on the PCS website and supplier contracts subject to UO standard terms and conditions, so long as such contracts do not exceed \$25,000 in total value.

10.4.1.3 E-Procurement. Department employees that have taken PCard training may make purchases via the PCS managed e-Procurement platform (Duck Depot) of up to \$25,000. All supplier catalogs visible on Duck Depot system have PCS verified competitive bid compliance, contracts, terms and conditions, pricing, and rebates. Grant funded purchases greater than \$5,000 made via Duck Depot must be reviewed and approved by Sponsored Project Services (SPS) department.

10.4.1.4 PCard Users. Department employees that are authorized PCard Users, that do not also have L1 or L2 delegated contract authority, may purchase goods up to \$10,000 using a PCard. PCard Users without L1 or L2 delegated contract authority may not buy software, ad placements, any services, or non-PCard purchases.

10.4.1.5 Very Small Purchases. UO staff without L1 or L2 may purchase goods up to \$500 in value, so long as the purchase is reviewed and approved by a staff member with L1 or L2 prior payment.

10.4.2 **Training and Requirements**

To receive and maintain L1 or L2 delegated contracting authority, employees must meet the following requirements:

10.4.2.1 The employee submits to PCS a request to receive contracting authority and obtains the approval from the employee’s supervisor.

- 10.4.2.2 Classified and unclassified employees may be delegated contracting authority upon review by the Chief Procurement Officer or their designee.
 - 10.4.2.3 Complete all required [PCS training classes](#).
 - 10.4.2.4 The specified UO employee has a current signed statement on file within their department, stating they have reviewed and will comply with the Code of Ethics. The signed statement must be filed annually.
 - 10.4.2.5 Depending on the level of authority requested, the employee may be required to submit their first contracts (the required amount will be determined by PCS) to PCS. PCS will provide feedback and training throughout this review period and after to establish a relationship of training, accountability, and communication. PCS will evaluate the employee's skill level, experience, and whether the scope of contracts that PCS has reviewed during the review period is representative of the full scope of the employee's duties. If PCS determines that the employee needs further training, PCS will adjust the review period accordingly.
 - 10.4.2.6 Employees with L1 or L2 delegated contracting authority must upload any purchase orders or contracts exceeding \$5,000 they have executed to the PCS Purchasing Portal.
 - 10.4.2.7 Employees with L1 or L2 delegated contracting authority must complete annual trainings and attend any required meetings as detailed on [PCS's training webpage](#).
- 10.4.3 **Refresher Training**
PCS may require employees to participate in refresher training to refresh and update prior training.
- 10.4.4 **Amount of Delegated Authority**
The Chief Procurement Officer will determine the amount of contracting authority that will be granted to each employee that has completed contracting training. The Chief Procurement Officer may delegate contracting authority up to \$25,000 for form contracts (including purchase orders). The Chief Procurement Officer will determine the appropriate amount to be delegated based on: (a) the needs of the department, and (b) the demonstrated skill and qualifications of the employee.
- 10.4.5 **Contract Authority Review**
Employee contracting activity will be periodically reviewed for compliance with UO policies and PCS procedures. Employees may be reviewed on an annual, semi-annual, or more frequent basis. Prior to commencing its review, PCS staff will request copies of one or more contracts or purchase orders, as well as other documents related to the selected transaction(s). At the conclusion of its review, PCS staff will provide a copy of its findings to the individual with delegated authority, with a copy to the department head or designee. A copy of each review will also be kept in the department's file at PCS.

10.5 Department Responsibilities

When performing purchasing and contracting functions, selecting individuals to serve as department budget authorities and contract authorities, or otherwise handling UO financial matters, department employees must:

- 10.5.1 Act within the UO Code of Ethics.
- 10.5.2 Apply the best value principles in making purchases and awarding contracts.
- 10.5.3 Provide programmatic, budgetary and compliance approvals while ensuring that all relevant UO policies and procedures are followed.
- 10.5.4 Obtain all relevant approvals, including but not limited to:
 - Sponsored Project Services (SPS) approval for purchases or agreements involving grant money.
 - Information Services approval for software expenditures.
 - Property Control approval for property loans.
 - Marketing and Brand Management for use of UO Marks.

For a more complete list of approvals, please refer to [Approvals List](#).

- 10.5.5 Apply segregation of duties in the purchasing, receiving, and approval processes related to UO purchases and Contracts.
- 10.5.6 Collect documentation to support purchases and Contract awards, including securing a fully executed Contract.
- 10.5.7 Maintain purchasing and contracting documentation subject to the [UO Records Retention Schedule](#).
- 10.5.8 Ensure purchase and contract reconciliations are performed and documented.
- 10.5.9 Obtain all required documentation and work with BA Accounts Payable to set up new supplier not currently set-up in Banner. See UO Substitute W9 process and forms on the [Business Affairs webpage](#). Departments should not send W-9s or related forms to PCS.

11. Training Programs

PCS offers a variety of courses and training opportunities each year. See the [PCS Training](#) page to view the current schedule of training opportunities.

12. Forms

12.1 Available Forms

PCS will list and make available on the PCS website all contract forms available for use by departments. PCS will designate those forms that department personnel with delegated Contracting Authority may sign.

12.2 Use of Forms

- 12.2.1 In no case may PCS form contracts be used to create a contractual obligation that violates any of UO's policies.

- 12.2.2 No terms of the form contracts may be modified without PCS approval except for the “Form Fill” fields designated specifically for departmental modification.
- 12.2.3 Modifications by PCS to a form contract for a specific transaction may not be applied to any subsequent transaction without the prior written approval of PCS.
- 12.2.4 Departments may not split a transaction or create multiple form contracts for one transaction, to avoid competitive procurement process requirements or contracting authority limitations.

12.3 Checklists.

Instructions for each designated form contract can be found on the PCS website and will include a checklist of contract tasks.

13. Support and Review

13.1 Support

PCS, as the central procurement office on UO’s campus, provides support to all departments in their purchasing and contracting efforts and provides direct oversight and review of those departments with individuals who are delegated contracting authority by the Chief Procurement Officer.

13.2 Contracting Best Practices and Nonconformance to Procedures.

13.2.1 **Nonconformance.** A nonconformance is any action (or failure to act) that is not in accordance with UO policy or these procedures. Nonconformance includes, but is not limited to:

- Improper procurement methods.
- Contract execution without contracting authority.
- Execution of a contract that is not on a current approved template without appropriate authority.
- Unauthorized revisions to an approved template.
- Execution of an agreement that exceeds delegated authority.

13.2.2 **After-the-Fact Transactions.** After-the-fact transactions are transactions where at least one party has completed performance prior to the execution of a written contract, where a contract is required. All after-the-fact transactions must be reviewed and resolved by PCS prior to payment. Resolution of an after-the-fact transaction under \$5,000 may be approved by all PCS staff with signature authority. Resolution of an after-the-fact transaction under \$50,000 may be approved by PCS Contracts Officers. Resolution of an after-the-fact transaction over \$50,000 must be approved by the Strategic Procurement Manager, Associate Director, or the Chief Procurement Officer. Systemic submittal of after-the-fact transactions may result in a referral to Internal Audit.

13.2.3 **Ratification.** Contract Officers, the Strategic Procurement Manager, the Associate Director, and the Chief Procurement Officer may ratify inappropriately signed contracts

up to \$50,000 in value. Ratification of inappropriately signed contracts in excess of \$50,000 must be approved by the Senior Vice-President of Finance and Administration.

13.2.4 **Contracting Best Practices.** Contracts will be reviewed for clerical errors, inadvertent mistakes, inadequate or inappropriate contractual language, and inadvertent missing information. PCS will provide additional training and assistance to those employees whose contracts do not meet best practices.

13.2.5 **Repeated Violations.** Individuals who repeatedly violate UO policy or these procedures, or which repeatedly fail to meet Contracting Best Practices will be subject the following escalation process:

13.2.5.1 First Instance:

- a. Email notification of what signatory did wrong and what the correct path is.
- b. Suggestion that the signatory re-take online training for delegated contracting.

13.2.5.2 Second Instance:

- a. Signatory and their manager must meet with PCS staff member to diagnose the issue to determine what was driving the misuse.
- b. Require, if they did not retake the online training with the first instance, that they complete the online training for delegated authority.
- c. Complete an abbreviated L1 or L2 queue until PCS sees that the key issue is resolved.
- d. Audit of first 5 matters following queue.
- e. A warning is issued to department management that a third instance will result in suspension.

13.2.5.3 Third Instance:

- a. Delegated authority suspended. Individual's supervisor is notified of suspension.
- b. Individual will not be able to regain delegated authority for six months and must complete all PCS-outlined requirements.
- c. Contracts will be subject to spot audits for one year following reinstatement of delegated authority.

13.2.5.4 Fourth Instance:

- a. Delegated authority is revoked.
- b. Internal Audit engaged to review departmental management.
- c. PCS will refer the matter to other appropriate offices, including any of the following: the employee's supervisors and department, Human Resources, the Office of the General Counsel, the SVPFA, and Internal Audit. Discipline may include termination of employment and criminal prosecution, if warranted.