
Purchasing

Revised: 12.15.09

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I. BIDS

Purchasing can require a quote or bid at its own discretion.

Bids are required for purchases of goods equal to or greater than \$10,000. See [quote information](#) for policies for purchases between \$5,000 and \$9,999.

The purpose for using a bid is to comply with NDUS board and NDCC policy, procedure, and law. The bid process satisfies the requirements of fair competitive bid practices.

Consulting or other contract services and insurance estimated at less than \$100,000 shall be purchased per [SBHE Policy 803.1.4](#).

The department is the initiator of the bid and should provide the purchasing department with the information to assemble the bid and present it to prospective vendors. These items may include but are not limited to: describe as accurately as possible what the needs are; provide examples of equipment that will adequately meet these needs; and other specifications which will be used to determine the award of the bid.

No forms are required to initiate a bid. The department can notify purchasing by phone, email, a meeting, memo, or purchase requisition.

Purchasing takes the bid information that the department provides, inserts all pertinent terms and conditions, and sets the public reading date. Purchasing has the responsibility to present the bid in a clearly written document to qualified bidders.

Bid responses are sent to the purchasing department for formal bid opening. Purchasing then sends the bid responses to the departments for their review. The department selects the vendor to award the bid and fills out a [purchase requisition](#) and submits this along with the bid to the purchasing department. Justification must accompany any requisition that is not awarded to the low bid.

Purchasing reviews the department requisition with the bid documents. A purchase order is then created to the awarded vendor.

Bids are not required when contracts are already in place or NDUS contracts exist. Bids are also not required for a [Sole Source](#), all Sole Source requests must be justified and approved by Purchasing.

General Information: Bids are usually out in the field a minimum of two weeks and the public reading date is set on a bid calendar of all other campus bid activity. Purchasing needs time to do some research and write the bid. Please inform Purchasing as soon as possible of your bidding requirements as adequate lead time enables purchasing to present a quality bid to our vendors.

Please refer to Frequently Asked Questions [#1](#)

II. BLANKET PURCHASE ORDER

- Form:** Requisition
- Purpose:** For repetitive purchases of common items to one vendor over a period of time.
- What For:** Supplies, small equipment valued under \$5000, agreements or service contracts that have monthly charges.
- Time Period:** Usually set up at beginning of the fiscal year, but may be submitted at any time. All blanket purchase orders close as fiscal year end, therefore, a requisition must be sent to Purchasing for the following fiscal year, usually in mid May.
- Funds:** Are not encumbered - an estimate of anticipated expenditures is required.
- Payments:** Use a voucher, always referencing the assigned purchase order number. Attach the product invoice(s). You may want to set up a schedule to do a payment once a month, but don't stretch payments out over a too long of a period as vendor's cash flow may be tied up, and you may incur services charges as well.
- Security:** The assigned purchase order number should be secured.
- Other:** Monitoring of expenditure(s) is the departments' responsibility.

III. CAMPUS NETWORK CONNECTION PURCHASES

Any network device (including, but not limited to, routers, switches, hubs and wireless access points) used to extend the network beyond network interface cards must be registered with ITSS prior to connecting to the campus network.

Please review the ITSS Campus Network Connection Policy <http://www.und.nodak.edu/dept/itss/policies/Network-Policy-Approved-June-7-2004.html> prior to submitting any purchase requisitions for campus infrastructure and corresponding services (cabling, routing, switching, network management and coordinating connections to the campus network).

IV. CONFLICT OF INTEREST

[Conflict of Interest Policy](#)

V. DEBARRED AND SUSPENDED PARTIES

DATE: July 8, 2005
TO: Vice President, Deans, Directors, and Department Managers
FROM: David Schmidt, Grants & Contracts Manager
Sharon Berning, Controller

UND is required to comply with OMB Circular A-110, which addresses debarred and suspended parties. All parties, debarred and suspended by the federal government, are listed on the web site indicated in the attached policy. In the past, UND complied with this OMB policy by reviewing payments to vendors in retrospect and only those vendors whose payments were over a specified dollar threshold. The North Dakota State Auditors Office, who audits UND Federal programs, has indicated that UND needs a written policy specifying how these lists are monitored and what

assurances can be provided that UND is not purchasing goods/services from debarred and suspended parties.

After reviewing other University policies nationwide, it has been determined that the only feasible way to monitor all purchases is to decentralize the review process. Beginning August 1, 2005, UND will add a compliance acknowledgement to all Purchase Requisitions and Vouchers. The department will be responsible for the review of the list and that the vendor submitted on the requisition or voucher is not debarred or suspended.

Please email financequestions@mail.und.nodak.edu if you have any questions. Thank you for your assistance.

POLICY:

The Office of Management and Budget requires that all federally awarded agencies and recipients comply with the non-procurement debarment and suspension common rule implementing E.O. #12549 and #12689, "Debarment and Suspension." (See OMB Circular A-110, subpart B, pre-award requirements, section 13, "Debarment and Suspension.") This common rule restricts sub-awards and contracts from transacting with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

PROCEDURES:

UND has added a section to all Vouchers and Purchase Requisitions for compliance acknowledgement. Departments will be required to indicate that the debarred and suspended list has been reviewed and the vendor requested for payment is not listed on this federal report. As a goal, UND Purchasing will attempt to compile and publish a list of vendors used frequently at UND that are not on the debarred and suspended list and have been reviewed at least annually. The list of federally debarred and suspended parties is available at www.epls.gov.

[Click here for instructions on navigating the site.](#)

Effective: August 1, 2005

VI. FURNITURE PROCEDURES

Office Systems Furniture Partitions/Modular (Open Office System) Furniture and Moveable Walls

Definition: Office furniture that requires vertical panels to support work surfaces, shelves, drawers and other accessories.

It is a mandatory requirement to contact Facilities (Mark Johnson 777-2336) prior to purchasing any office systems furniture and moveable walls. Facilities will review the drawing layouts to ensure compliance with Federal, State and Local codes. Purchasing will

not process any purchase requisition without Facilities review.

The University of North Dakota uses state contract #049 issued by the North Dakota State Procurement Office (<http://www.state.nd.us/csd/spo/contracts/Html/049.htm>) for the purchase of Open Office System furniture. The state contract has specified brands that have discounted pricing. You must contact both Norby's Work Perks (746-9441) and Gaffaney's The New Office Place (746-6466) (Gaffaney's is the Grand Forks representative for Fireside Office Plus) to obtain quotes. Quotations may include chairs, file cabinets and other accessories that are not part of the state contract. The quotes must include a detailed drawing, pricing with discount and state contract number 049. Quotations from both companies must be submitted with a purchase requisition to the Purchasing Office.

All Other Furniture

All furniture not defined as "Open Office Systems" will be purchased following the University's purchasing procedures. Orders over \$5,000 will require competitive pricing by the UND Purchasing office.

Case Goods and Accessories

All furniture not defined as Modular Office Systems is a case good (i.e. bookcase) or an accessory (i.e. lamp, chair). The purchase of these items will follow the University's established quote and bid process to all furniture vendors. If the total cost is less than \$5,000:

1. Make your purchase utilizing the UND MasterCard purchasing card or the Voucher. If the total cost is \$5,000 or more but less than \$10,000:
 - a. Submit specifications to Purchasing Office.
 - b. The Purchasing Office will contact vendors for competitive pricing by quote.
 - c. Purchasing will send quote responses to the requesting department for review and vendor selection.
 - d. Submit purchase requisition to Purchasing Office.
 - i. Provide justification for not selecting any lower quotes.
 - e. Upon approval Purchasing will send a purchase order to the vendor. If the total cost is \$10,000 or more:
 - i. Submit specifications to Purchasing Office.
 - ii. The Purchasing Office will contact vendors for competitive pricing by sealed bid.
 - iii. Purchasing will send bid responses to the requesting department for review and vendor selection.
 - iv. Submit purchase requisition to Purchasing Office.
 1. Provide justification for not selecting any lower bids.
 - v. Upon approval Purchasing will send a purchase order to the vendor. If at any time you have questions about furniture or would like assistance in the process, please call JoAnn at 7-2971.

VII. HAZARDOUS MATERIALS

All radioactive materials must be processed through the Purchasing office. The following procedure, developed between the Purchasing office and the Safety office, is offered to assist you with a quicker method of processing requisitions for radioactive materials at the University of North Dakota campus.

1. Due to the information typed on a requisition getting smaller by each electronic transfer, the requesting department must fax the completed requisition twice: UND Purchasing - fax #7-2125 and UND Safety - fax#7-4132
2. UND Safety approval is completed on their faxed requisition and faxed from UND Safety to UND Purchasing at 7-2125.
3. UND Purchasing matches the two faxed requisitions and reviews for required approvals.
4. The requisition then moves to Grants and Contracts (if required), a buyer, and then to data input to create the purchase order. If requested by the department, the purchase order number is phoned to the requestor, who then calls the order in to the vendor.

VIII. UNIVERSITY OF NORTH DAKOTA MASTER SUBCONTRACTING PLAN HISTORICALLY UNDERUTILIZED BUSINESS (HUB) PROGRAM

POLICY STATEMENT

It is the policy of the University of North Dakota (University) that small business concerns and small business concerns controlled by socially and economically disadvantaged individuals (HUB), shall be given maximum practicable opportunity to participate in any purchases made by the University under sponsored agreements which incorporate the requirements of Public Law 95-507. All purchases shall be made in accordance with approved University purchasing procedures.

GOAL FORMULATION

Goals are developed on an individual contract/modification basis. Goals are stated separately for small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business. Dollars and percentages of large business subcontracting and the goal formulation methodology are listed within the goal area, located at Exhibit 1.

Advanced Procurement Planning, the process used to develop the estimates for dollar awards to small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business , includes an examination of the following: identification of all major requirements of the program; "make or buy" decisions; and direct services and supplies (external purchase).

SOURCE IDENTIFICATION

Potential sources utilized for solicitation purposes include existing source lists, the PRO-Net system, and publications on file in the Purchasing Office include the North Dakota/South Dakota Indian Business Development Center Directory. Purchasing staff will attend at least one small business fair per fiscal year and will visit vendor booths at regional and National Association of Educational Buyers meeting.

INDIRECT COSTS

Subcontracting goals are established for each source of funds based on direct costs only. Indirect costs are not included in the calculation.

RESPONSIBILITIES

The Director of Purchasing shall be responsible for administering the HUB program at the University.

Specific responsibilities include:

1. Monitor compliance with government regulations and policies.
2. Prepare and administer subcontracting plans.
3. Request and monitor subcontracting plans from suppliers.
4. Assure supplier competency, certification of business size, and other relevant data concerning suppliers is maintained.
5. Prepare reports for submission to various government agencies as required.
6. Participate in review and evaluation of "Make or Buy" program as it relates to small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business concerns as prescribed in Federal Acquisition Regulations.
7. Conduct site surveys and participate in small business conference/trade shows.
8. Perform training and education seminars for buyers/program managers and technical staff on how to best utilize small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business concerns.
9. Review and approve all bid lists on subcontracts and/or purchase orders in excess of \$5000 on sponsored projects subject to PL95-507 to assure adequate representation of small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business concerns.
10. Recommend and implement policies and procedures directing staff in efforts to attain designated small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business goals.
11. Provide technical assistance to small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service

disabled veteran owned small business as requested and reasonably available.

SOURCE DEVELOPMENT

To ensure that small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business concerns have an adequate opportunity to compete for subcontracts the Director of Purchasing will:

1. Schedule Advance Procurement Planning meetings with departmental personnel involved with subcontracting plans to identify qualifying purchases and potential vendors.
2. Provide training to departmental personnel on utilization of small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business concerns via regularly scheduled training opportunities in conjunction with Accounting Services.
3. Provide training to Purchasing staff, including field buyers, on small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business utilization and policies.
4. Review each buyer's performance regarding small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business, quarterly.
5. Work with the Procurement Assistance Center (PAC), with direct contact at least once per quarter, to identify potential opportunities for utilizing the resources of the PAC to reach small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business, for training as well as soliciting bid responses.
6. Work with the Small Business Development Center (SBDC), with a direct contact at least once per quarter, to identify potential opportunities for utilizing the SBDC for training.

SUBCONTRACT ADMINISTRATION

The University will include the clause in this contract entitled "Utilization of Small Business Concerns and Small Disadvantaged Business Concerns" in all subcontracts that offer further subcontracting opportunities, and the University will require all subcontractors (except small business concerns) who receive subcontracts in excess of \$550,000 (\$1,000,000 for construction of any public facility), to adopt a plan similar to the plan agreed to by the University.

COMPLIANCE AND PROGRESS

The University will cooperate in any studies or surveys as may be required, submit periodic reports in order to allow the Government to determine the extent of compliance with the subcontracting plan, submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and/or SF 295, Summary Subcontract Report, in accordance with the instructions on the forms, and ensure that subcontractors agree to submit SF 294 and SF 295.

DOCUMENTATION

The Director of Purchasing will assure that records will be maintained to demonstrate procedures that have been adopted to comply with the requirements of the goals in the plan, including:

1. The Pronto system will be utilized to identify potential vendors for departments to meet their subcontracting goals.
2. Purchasing will obtain source lists, guides, and other data that identify small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business concerns and have these available for departments to reference.
3. Documentation will be maintained in Purchasing of all efforts made to identify small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business concerns, both by Purchasing and departmental personnel.
4. Documentation will be maintained in Purchasing on each subcontract solicitation resulting in an award of more than \$100,000, indicating
 - a. whether small business concerns were solicited and if not, why,
 - b. whether small disadvantaged business concerns were solicited and if not, why,
 - c. if applicable, the reason award was not made to a small business concern.
5. Documentation will be maintained in Purchasing of any outreach efforts to contact trade associations, business development organizations, and conferences and trade fairs to locate small business, small disadvantaged business, women-owned business, HUBZone small business, veteran-owned small business and service disabled veteran owned small business sources.
6. Documentation will be maintained in Purchasing of all internal guidance and encouragement provided to buyers, such as workshops, seminars, or training and monitoring performance to evaluate compliance with the program's requirements.
7. Documentation will be maintained in Purchasing, on a fund/contract basis, such as support for goals established, monitoring or progress toward reaching goals, and copies of any reports.

HUBZone small business, veteran-owned small business and service disabled veteran owned small business.

IX. LEASING

A Master Lease Agreement developed between NDUS and the financial institution selected through a bid process, is approved by the ND Board of Higher Education. This agreement is available for use by all NDUS institutions.

The Purchasing Office is responsible for processing UND financial leases. Use of lease purchase commences after the usual competitive bid process and it has been determined to use a lease purchase agreement. Authorization to lease purchase shall be made by the institutions' chief

financial officer.

Utilization of the NDUS Master Lease Agreement is required for financial leases. The following information to set up the lease must be provided to the Purchasing Office:

- Description of equipment
- Payment schedule
- Cost of Equipment
- Term of lease
- Location of equipment
- Lease analysis (if requested) A letter of order is written to the awarded vendor(s) by the Director of Purchasing. Documents are requested from the Master Lease Institution at which time the rate is assigned. Certificate of insurance is requested by Risk Management and Accounts Payable is notified of the lease. Each lease has a file maintained in the Purchasing Office. Upon delivery, receipt, and acceptance, Purchasing must be notified. All invoices received must be sent immediately to the Purchasing Office. At this time all documents are processed.

The Master Lease Institution issues invoices for each payment due, which are processed with a Voucher to Accounts Payable.

X. MAINTENANCE AND SERVICE AGREEMENTS

All maintenance and service agreements must be processed on a Purchase Requisition.

XI. PURCHASING PROCEDURES

North Dakota State Board of Higher Education Policy Manual, section 803.1 Purchasing Procedures, requires all North Dakota University System Institutions shall cooperate and make joint purchases with the Office of Management and Budget Purchasing Division when advantageous to do so as intended by North Dakota Century Code section 54-44.4-02.

XII. PRE-PAYMENTS

Form(s): Requisition and voucher, two copies of pricing documents.

Purpose: For a one time purchase to one vendor with funds paid at time of order.

What For: Items over \$5000 with accounts of 582030, 582035, 581005, 591025 items of \$5000 or less will be processed on a Voucher.

Time Period: None.

Funds: Are encumbered and payment immediate upon accounts payable issuing check; multiple funds are allowed. If grant or contract funds, approval is obtained from Grants and Contract Administration.

Payments: Done at time or order.

Security: Only to be used between the University department and the vendor. There is a certain amount of trust given to the vendor, in that the order and payment will result into the product you need.

XIII. PRINTING PROCEDURES

Printing and duplicating must be completed on campus by the Printing Center or Duplicating Services. Printing may be submitted to the Printing Center for completion. Duplicating Services handles photocopying and duplicating. Orders should be checked by Duplicating Services or the Printing Center to determine if they can accomplish the job. If neither location can complete the work, the Purchasing office will get quotations from local vendors for all printing.

If a department wishes to have printing completed off campus, a requisition to the purchasing office with a sample of the document or complete specifications is required. Vendors are to be contacted by the Purchasing office (not the requesting department), for prices, delivery dates and other pertinent information.

A purchase order number is required to authorize a printer to complete an order. Vouchers are not valid for printing or duplicating. Any printing job processed for payment on a confirmation order, after completion, will require justification and may be returned to the department and become the responsibility of the individual that placed the order.

XIV. QUOTATIONS

Purchasing can require a quote or bid at its own discretion.

Quotes are required for purchases of goods between \$5,000 and \$9,999. See [Bid information](#) for requirements for purchases over \$10,000. Procedures are similar to those for bidding with a couple exceptions:

- Quotes are usually in the field less than two weeks;
- and no public reading is held.

Please refer to Frequently Asked Questions [#1](#)

XV. REQUEST FOR PROPOSAL (RFP)

A Request for Proposal (RFP) should be used when seeking to find solutions to solve a problem and achieve a goal, when seeking unique products or services. The RFP usually begins with a statement of purpose or goals and objectives.

RFP's are different than bids. An RFP specifies or describes a problem, a bid identifies a product. An RFP has a longer response time which allows a vendor optimum time to seek out the best solution. An RFP includes a methodology for evaluation and is awarded to the vendor that submits the best qualified proposal. The best qualified proposal may not necessarily be the low bid, a bid is awarded to low bid. A contract is the end result of an RFP.

Purchasing writes the RFP with input from the department.

The department is the initiator of the RFP and should provide the purchasing department with the

information to assemble the RFP and present it to prospective vendors. These items may include but are not limited to: describe as accurately as possible the goals and objectives; the scope of work; define requirements; define acceptable levels of vendor performance; define timeline for achieving the goal; ask vendor to describe the qualifications of the people who may be involved in implementing the goals and objectives of the RFP; and ask for input from the vendors - how would they meet the specific objective, what unique contribution can they make toward achieving the goals, what alternative proposals they would offer.

Departments can request samples of RFP's to use as examples while writing their portion of the RFP.

An RFP may include negotiations for final agreement with the vendor offering the best proposal. A contract is the end result of an RFP. The length of the contract is agreed upon by all parties, no longer than 5 years, typically 1 to 5 years with an annual review. The Purchasing Department is the Office of Record and maintains the original copy of the signed contract.

XVI. PURCHASING PROCEDURES AT SAM'S, TARGET, SEARS, CABELA'S, BEST BUY, AND WAL-MART

Sam's - Departments may now utilize their University Purchasing Card at Sam's Club. Sam's Club will require that you show your Purchasing Card when entering the store. Purchase orders and vouchers will no longer be accepted by Sam's Club.

Sears - Purchases at Sears require a Request for Payment/Voucher or, if over \$5,000, a purchase order. Prior to going to Sears to purchase products, call Vicki in Purchasing (7-2682) or Nicki in Accounting Services (7-4855), to obtain an account number in order to charge the purchase.

Target - Purchases at Target require the use of the UND MasterCard purchasing card. Departments interested in having a UND MasterCard purchasing card may contact Janelle in the purchasing office, 7-3881.

Cabela's - Purchases at Cabela's require the vendor copy of the purchase order, if under \$5000, use a voucher. Present the form with your merchandise at the cash register for check out.

Wal-Mart - Purchases at Wal-Mart require the use of the UND MasterCard purchasing card. Departments interested in having a UND MasterCard purchasing card may contact Janelle in the purchasing office, 7-3881.

Best Buy - The approved method of purchasing, by UND departments, from Best Buy is to use the UND MasterCard purchasing card. Departments interested in having a UND MasterCard purchasing card may contact Janelle in the purchasing office, 7-3881.

XVII. SCHOLARSHIPS/ENDOWMENTS

Vendor offers of scholarships, endowments and other premiums in response to bids are not considered in bid awards. Fairness to vendors and the need to establish value to such offers is

contrary to the intent of Purchasing, which is to award bids on lowest cost meeting specifications. Purchasing may request information on sponsorships in the Request for Proposal process for securing vendor contracts. Such information allows vendors fair opportunity to bring forward offers for consideration. Purchasing awards RFP contracts to the most qualified vendor best meeting the award criteria for the contract. Reference NDUS Board Policy 803.1, #1, last sentence.

XVIII. SOFTWARE PURCHASES

Effective July 1, 2009

1. Software purchases of \$5,000 or more require a Purchase Requisition (PR). All purchases of \$5,000 or more will be reviewed by the Office of the CIO. Departments may purchase up to \$5,000 on the University Purchasing Card or voucher without a PR if it meets the following criteria:
 - a. Off-the-shelf or click-through application software with standard end user license agreements
 - b. Online resources (e.g. training, tutorials, reference collections) with standard end user license agreements
 - c. Support, upgrades and renewals of existing software
2. Submit a PR and a [Software – Non-Standard Purchase Form](#) to the Purchasing Office for purchases that fall within the following categories (applies both to purchases under and above \$5,000):
 - a. Any software purchase where the purchaser, Department Chair, Dean or Vice-President explicitly requests a review;
 - b. Software that requires a signed contract or agreement, as different from an End User License Agreement (EULA);
 - c. Custom software created by an outside vendor explicitly for a UND purchaser;
 - d. Off-the-shelf application software modified by an outside vendor explicitly for a UND purchaser;
 - e. Upgrades, renewals and support of the above.
3. UND Purchasing will forward all [Software – Non-Standard Purchase forms](#) and PRs to the Office of the CIO.
4. Within 3 working days the Office of the CIO will make one of the following recommendations to the purchaser and UND Purchasing:
 - a. Request for additional information;
 - b. Forward exception to University General Counsel for review;
 - c. Approve/Disapprove purchase.
5. Purchasing office will process approved requests and track those requests in #4a/b above. The Office of the CIO must give final approval to requests falling within #4a/b above and

the Purchasing Office will be notified of such decisions. The CIO will review any purchasing requests under #2 above or are over \$5,000 even if a similar request has been already approved for another department.

6. This process shall become effective July 1, 2009.
7. Software purchased through campus software agreements is exempt from this policy. Please refer to the following link: <http://itss.und.edu/software.html>

XIX. SOLE SOURCE

A sole source purchase occurs when a product or service is available from only one supplier due to its unique character, compatibility with existing equipment, or an upgrade to an existing product. Sole source justification is documented by use of a sole source form completed by the department and approved by UND purchasing personnel. A sole source justification form is available from Purchasing Available Forms.

XX. STATE CONTRACTS

The following web site is a link to the State Procurement Office <http://www.state.nd.us/csd/spo/term-contracts.html>. All state contracts can be searched by name or number at this web site. State contracts are a source for the Purchasing Department. Purchasing is not required to use state contracts with some exceptions. Currently UND requires the use of the state cell phone contracts. As an institution of the North Dakota University System, Purchasing can use state contracts if beneficial but are not required if not to our advantage.

XXI. SALE OF SURPLUS ITEMS

The majority of surplus items are disposed through standard Surplus procedures which are handled by Facilities. Purchasing does assist in the sale of some surplus items, these items are typically of higher dollar value (airplanes, servers, etc). Purchasing will not facilitate the sale of items where the sale is expected to be less than \$500.00 per item, these items need to be disposed through Facilities.

XXII. EQUIPMENT /SUPPLIES - TRANSFER/SALE PROCEDURE FOR DEPARTING FACULTY POLICY

All equipment/supplies, whether acquired with federal funds, non-federal funds, or gifted, are the property of UND. Transfer of UND equipment/supplies to individuals, to for-profit entities, or nonprofit entities not eligible to receive property under the Federal Property Administrative Services Act of 1949 is not permitted. In some instances, departing faculty may wish to transfer equipment/supplies to their new institution of employment. The transfer of equipment/supplies is controlled by ND law, Board of Higher Education policies, federal guidelines, and UND policy. As part of the procedure, UND Purchasing will first make the determination as to whether the equipment/supplies were purchased with federal funds. If so, the determination must then be made as to if the equipment/supplies are part of an on-going project and if so, the equipment/supplies are not considered to be surplus property. If the equipment/supplies were purchased with non-federal funds, a determination is made as to whether the equipment/supplies

can be used by other UND departments; if not, then the procedure described below will be followed.

Procedure:

The Department Chairperson and Dean must send a signed request to the Purchasing Office, Box 8381, and include the following information:

1. Name/Telephone number of departing faculty
2. Equipment inventory tag number (if major equipment)
3. Description of equipment/supplies for transfer/sale. Provide costs for supplies if available.
4. Justification for proposed transfer/sale to the receiving institution. If transferring items it must be stated that the equipment/supplies are part of an on-going project. Provide documentation indicating that other UND departments are not able to utilize the equipment/supplies.
5. Fund number used for the purchase of supplies, non-tagged equipment, and tagged equipment.
6. Name, address, and telephone number of a contact person at the receiving institution who has authority to accept the property.

Purchasing will process the request as outlined:

1. For equipment/supplies gifted or purchased with non-federal funds, the following steps will be taken.
 - a. Determine if there is potential utilization of equipment/supplies by other UND departments.
 - b. Inform ND OMB of the transfer/sale of equipment/supplies.
 - c. If the equipment/supplies cannot be used by other UND departments, then the current fair market value on all equipment/supplies gifted or purchased with non-federal funds will be established. These items may be sold to the receiving institution at a mutually agreed upon price.
 - d. Obtain written communication from the receiving institution demonstrating willingness to purchase equipment/supplies.
 - e. If approval is denied, the equipment/supplies will remain at UND.
2. Equipment/supplies acquired with federal fund (fund numbers 4000-5499) may be transferred if the following are met prior to shipment.
 - a. Purchasing has obtained the appropriate approvals, and forwarded the request to Office of Research Development & Compliance (RD&C) and Grants and Contracts Administration (GCA). GCA will determine if the property can be transferred based on the following guidelines:
 - i. If UND has title and it is determined to be exempt property; defined as tangible

property acquired in whole or in part with Federal funds, where the Federal agency give property title to UND, without further obligation to the Federal Government, UND does not need to obtain sponsor approval to transfer the property.

- ii. If UND has title and the equipment is not exempt, an examination of the grant/contract is made to determine if it is > 120 days past the grant/contract termination date. If so, UND does not need to obtain sponsor approval for the equipment transfer.
 - iii. If UND has title, the equipment is not exempt, and the grant/contract is current or =< 120 days past the grant/contract termination date, UND must obtain sponsor approval to transfer the equipment.
 - iv. If UND does not have title, the Principal Investigator must obtain sponsor approval prior to the transfer of the equipment.
 - v. When the title issues are resolved, GCA and RD&C will approve the request in writing and return it to Purchasing for processing.
3. Prior to the release of equipment/supplies, Purchasing will initiate the following:
- a. Request the department to remove and send the inventory tag to Purchasing.
 - b. Provide the receiving institution with an invoice or a letter of notice listing the equipment/supplies being transferred, and include a notice that the costs of and arrangements for shipping and handling will be their responsibility.
 - c. Notify the department that items can be readied for shipping.
 - d. Deposit the check from the receiving institution into the appropriate fund.
 - e. Notify the department to proceed with shipping of the equipment/supplies as per receiving institution's instructions.
 - f. Provide department with documentation of equipment/supplies transferred.
 - g. Provide Inventory Control with all original documentation of equipment/supplies transferred in order to remove the equipment from department inventory.

Scrapped: Items that are determined as scrap are recycled or taken to the landfill.