ROWAN UNIVERSITY POLICY

Title: Procurement Policy  
Subject: Contracting and Procurement  
Policy No: FIN:  
Applies: University-Wide  
Issuing Authority: Senior Vice President for Finance and CFO  
Responsible Officer: Senior Director of Contracting & Procurement  
Adopted:  
Last Revision: 3/4/16  
Last Reviewed:  

I. PURPOSE  
To establish guidelines and to define the responsibilities of the University employees in connection with the initiating, processing and managing of the procurement of goods and services by the University.

II. ACCOUNTABILITY  
Under the general oversight of the Board of Trustees, the President shall ensure compliance with this policy and New Jersey State law concerning competitive bidding. The Senior Vice President for Finance & CFO, Provost, Deans, and Vice Presidents shall implement this policy.

University employees shall be responsible for making purchases in accordance with this policy. Employees who make unauthorized purchases may have their purchasing ability suspended or revoked and may be personally liable for the purchases made, in addition to the imposition of appropriate disciplinary action.

III. APPLICABILITY  
This policy shall apply to all Rowan University employees in connection with the procurement of goods and services by purchase, lease or otherwise under the authority or acting on behalf of the University.

IV. DEFINITIONS  
A. GENERAL PROCUREMENT  
1. Bid Exception: involves a request to procure a product, professional or technical service for which the dollar amount exceeds Rowan’s established public bidding threshold. Waiver criteria are governed by N.J.S.A. 52:34-9 and 52:34-10, and Board of Trustee Resolution 2014.02.02 and include narrow and limited exceptions to the open public bidding statutes. Generally, a bid exception shall be granted on a one time basis for a specific item from a vendor and for a specific dollar amount.

2. Emergency Purchase is a contract that is created when the health, safety or welfare of occupants of University property or the integrity of University owned property is affected, requiring immediate delivery of materials or supplies or the performance of necessary work.

3. Professional Services describes services rendered or performed by a person authorized by law to practice a recognized profession and whose practice is regulated by law and the performance of which services requires knowledge of an advanced type in a field of learning acquired by a prolonged formal course of specialized instruction and study as distinguished from general academic instruction or apprenticeship and training. Professional services also mean services rendered in the performance of work that is original and creative in character in a recognized field of artistic endeavor.
4. **Public Bidding** is the process for solicitation of bids for contracts or services through a publicly advertised process, in accordance with applicable law.

5. **Sole Source** is a type of bid exception for a purchase created without public bidding because there is only practical one source of supply available that can provide the goods or services needed. For a sole source contract to be approved the requestor must complete the sole source justification document to the satisfaction of the Senior Director of Procurement.

6. **Technical Services** are services that require the application of a special skill or practical knowledge in such areas as information technology, telecommunications, electronics, or other applied sciences.

7. **Contracting Officer** the Contracting Officer for Rowan University is the Senior Vice President for Finance.

V. **REFERENCES**

A. **GOVERNING LAW**

   Purchases and Contracts involving Rowan University as the receiver of goods and services, including construction and custodial and maintenance services are governed by N.J.S.A.18A:64M-1 et seq.

B. **OTHER PERTINENT LAWS, REGULATIONS AND POLICIES**

   2. Executive Order 129 – (now codified in N.J.S.A. 52:34-13.2)
   4. N.J.S.A. 19:44A-20
   5. Executive Order 117
   7. N.J.S.A. 52:34-9(a) —
   9. The FY 2009 Appropriations Act
   11. Board of Trustee Resolutions as applicable

C. **ROLE OF THE NEW JERSEY STATE COMPTROLLER**

   1. The New Jersey State Comptroller has oversight of State institutions’ contracting power. See N.J.S.A. 52:15C-1 et seq. The Comptroller’s Office reviews proposed public contracts valued at more than $10,000,000 before advertisements are issued.

   2. In addition, University contracts valued at more than $2M will be reported to the Comptroller’s Office no later than 20 business days after the contract is awarded, with a detailed description of the process used to select the vendor and a list of rejected or disqualified bids.

D. Additional information regarding procurement processing and forms can be found on the Office of Contracting and Procurement [website](http://www.state.nj/treasury/purchase/)

VI. **POLICY**

A. **PURCHASES OR CONTRACTS REQUIRING PUBLIC BIDDING**

   1. All purchases and contracts above the bid threshold and not exempt from public bidding are required to be bid under applicable policies and procedures. All public bidding shall be performed by the Office of Contracting and Procurement.

   2. All purchases and contracts exceeding the bid threshold amount and requiring public bidding shall be approved and executed by the Contracting Officer and reported to the Board of Trustees in the Board of Trustee book through a report generated for each meeting by the Procurement Department. Such
report shall be caused to be developed and submitted prior to the meeting to the Budget & Finance Committee of the Board.

3. The information provided to the Committee shall identify the selected bidder and include the following for all qualified bidders considered for selection:
   - Name and address of the contractor;
   - Term of Contract;
   - Total Amount of Contract; and
   - Purpose of the Contract.

4. Purchases and contracts in excess of 20% of the bid threshold, and not requiring a formal public bid, shall be reported to the Board of Trustees through the Budget & Finance Committee of the Board at the meeting following the purchase or award of the contract by a report generated by the Contracting and Procurement Department.

B. PURCHASES REQUIRING SPECIFIC APPROVALS REGARDLESS OF DOLLAR AMOUNT AND PUBLIC BIDDING REQUIREMENTS

Due to their specialized nature, certain purchases as described below require specific approvals even if budgeted and approved by the department/school. In these instances, the Office of Contracting and Procurement will require specific approvals as outlined on the Office of Contracting and Procurement (OCP) website.

1. All technology purchases, including hardware and software, must be approved through the Information Technology Department through the requisite form;
2. Legal Services of any nature must be approved by the Office of General Counsel;
3. All Lobbyist Services must be approved by the Office of the General Counsel/Vice President for Government Relations;
4. All University Branded communications, services, or goods must be approved by University Publications;
5. All Furniture Purchases must be approved by the Facilities Department.

C. PURCHASES OR CONTRACTS NOT REQUIRING PUBLIC BIDDING

1. Purchases or Contracts Below the Bid Threshold Amount. – Any purchase or contract below the bid threshold amount as established and modified from time-to-time by the Board of Trustees does not require public bidding unless determined to be in the best interest of the University by the Office of Contracting and Procurement or if the amount purchased will exceed allowable thresholds for the vendor campus-wide in the same fiscal year.

2. Notwithstanding that a purchase or contract is below the bid threshold, the University shall employ the following procedures as to obtain the lowest responsible bid:
   - $0 to 10% of Bid Threshold Amount – may be made by direct purchase – no quotes required;
   - Above 10% of Bid Threshold Amount up to maximum of Bid Threshold Amount requires written quotes from at least three vendors. Written quotes may be obtained via electronic means.
   - If the Senior Director of Procurement or Contracting Officer deems it impractical to solicit competitive quotations, or having sought quotations, determines that an award should not be made on the basis of price and other factors, he or she shall file a written statement of explanation of the reasons and place the statement on file with the contract.

3. Purchases or Contracts Above the Bid Threshold Amount Where Public Bidding is Not Required. – In accordance with N.J.S.A. 18A:64M-9(v), the Board of Trustees has authorized exceptions set forth in N.J.S.A. 52:34-9 and N.J.S.A. 52:34-10 and Board of Trustee Resolution 2014.02.02. The Senior Vice President for Finance may approve any purchase or contract type listed below without submitting the purchase or contract to the competitive bidding process and/or without submitting the purchase or contract to the Board of Trustees for advance approval where the purchase or contract does not exceed the established limits via statute or resolution and such purchase meets a valid exception. The purchase or contract shall be reported to the Board at the next Board meeting following the approval and shall be published in the Board’s minutes. Nothing herein shall be interpreted to prevent the Senior Vice President for Finance from soliciting competitive bids where such solicitation is in the best interests of the University.
4. Whether a particular purchase or contract is exempt from public bidding requirements is a determination to be made by the Office of Contracting and Procurement in the first instance, but if there is disagreement with the determination made by the OCP, the determination will be made by the Chief Financial Officer, whose decision is final.

5. In the event a particular purchase or contract is exempt from public bidding requirements, the Office of Contracting and Procurement may nevertheless require public bidding or a modification of the usual public bidding process as to obtain the purchase or contract on the best possible terms, price and other factors included.

6. **Contract Splitting Prohibited**
The splitting or subdividing of a contract in order to avoid all or a portion of the requirements of the bidding process is prohibited. In short, the total requisition or order value shall not be split to avoid quote or bid requirements. If the Senior Director of Procurement identifies such action, the error shall be remedied as soon as practicable through the implementation of public bidding and will be reported to the Chief Financial Officer.

7. **Special Provisions for Certain Professional Services and Professional Consulting Services**
The Contracting Officer is authorized to negotiate contracts for services described as Professional Services and Professional Consulting Services (accountants, architects and engineers) on an “on call” basis, exempt from the public bidding process, using the following procedures:

8. **Emergency Situations**
When the President of the University or the Contracting Officer has received sufficient reasonable information that an emergency exists that affects the health, safety or welfare of occupants of University property or the integrity of University owned property, requiring immediate delivery of materials or supplies or the performance of necessary work, the President or Contracting Officer, as the case may be, may award a contract for the work, materials or supplies needed to address the emergency. The Vice President in charge of the specific division will certify to the circumstances as they exist.

9. **Recurring Contracts**
The Contracting Officer is authorized to approve and execute certain recurring contracts previously approved by the Board of Trustees as a recurring contract. The Board of Trustees must be made aware of the term limit for which it will reoccur at the time of initial award.

10. **Contracts Not Requiring University Expenditure**
Contracts or agreements that do not require an expenditure of University funds or which potentially result in income to the University may be negotiated and entered into by the relevant Contracting Officer. Contracts that generate annual revenues in excess of $50,000 shall be reported to the Board of Trustees through the Committee of Budget & Finance of the Board at the next meeting following the execution of the contract.

   a. This exception does not apply to commercial contracts such as vending machine and copy machine contracts that confer a benefit on the contractor. The award of such contracts shall follow the normal University bidding procedures, except that the term of such contracts may be up to five years.

**VII. RESPONSIBILITIES**

A. **Senior Vice President of Finance**

   1. Second level review of all purchases approved by the Office of Contracting & Procurement exceeding the currently established public bid threshold.

      a. Anything over $30,700, or the currently established University bid threshold, is submitted to the Senior Vice President of Finance for second level review and signature.

B. **Office of Contracting & Procurement**

   1. Review all requisitions entered through the Banner system and approve through the purchase order conversion process.

   2. Review other alternative procurement process requests, such as University Purchasing Card purchases and reimbursements, submitted to the Office for compliance with existing policy, procedure and regulations.
3. Manage the public bidding process for purchases described above to ensure compliance with existing policies, procedures and regulations.

C. **University End Users**

1. Understanding and compliance with existing University policies, procedures and regulations.
2. It is the responsibility of the end user to ensure they are thoroughly trained with regards to the Contracting and Procedures policies and procedures and they are compliant therein.