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EXHIBITS

Exhibit No.

13-1 UNIVERSITY CONTRACTS LAW

13-2 PUBLIC AGENCY REGULATIONS FORAWARDING CONTRACTS
Pursuant to P.L. 1975, C. 127 (NJAC 17.27)

13-3 RESOLUTION DESIGNATING COMPLIANCE OFFICER

13-4 UNIVERSITY PURCHASE CARD POLICY AND PROCEDURES

13-5 MISCELLANEOUS DISBURSEMENTS VOUCHER
13.0 OVERVIEW

The purpose of this chapter is to provide the users of purchasing services with information regarding the Purchasing Department's role in the purchasing process. Public purchasing, as opposed to private or corporate purchasing, is governed by legislation and regulation. For the state colleges, purchasing is governed by the "New Jersey State College Contracts Law".

The primary objectives of public purchasing are to:

- Maximize the taxpayer's dollar.
- Ensure that full value is received for dollars spent.
- Foster competition in the procurement process.
- Prevent corruption, favoritism and ensure the integrity of the purchasing system.
- Attempt to secure the best possible product/service for the best possible price.

The procurement function in the public sector serves the dual purpose of control and service. The Purchasing Department must be sure that state contract laws are complied with and that institutional policies and procedures are promulgated and followed. In addition, the Purchasing Department provides a service function to ensure that the primary mission of the University community is served in a thorough, efficient, and timely manner.

13.01 STATUTORY REQUIREMENTS/STATE OF NEW JERSEY

13.01.1 UNIVERSITY CONTRACTS LAW

The New Jersey State University Contracts Law is attached as an addendum to this chapter (see Exhibit 13-1). It would be helpful for the various department heads, deans and other users of purchasing services to become familiar with the law. Any questions regarding the law should be directed to the Director of Purchasing.

13.01.2 AFFIRMATIVE ACTION REGULATIONS (P.L.1975. C.127)

The Affirmative Action Regulations are attached as an addendum to this chapter (see Exhibit 13-2).
The regulations require the University to designate an officer or employee to serve as a Public Agency Compliance Officer (PACO) whose name, title, business address, telephone number and fax number shall be forwarded to the State Affirmative Action Office by January 10th of every year.

NOTE: The PACO is the liaison official for matters concerning P.L. 1975, c. 127 (NJAC 17:27) and should have the authority to make the appropriate correction(s) to the agency's contracting procedures. The PACO may be an existing employee.

The Director of Purchasing has been designated as the Public Agency Compliance Officer for Rowan University (see attached Board resolution, Exhibit 13-3).

13.02 PURCHASING VIA THE REQUISITION PROCESS

The purchasing process usually begins with the transmittal of a requisition to the Purchasing Department via the University's on-line Purchasing system which is part of the Financial Records System (FRS). What happens with the requisition once it is received in Purchasing depends on what is being purchased and on the dollar volume of the requisition.

In order to expedite the procurement of small dollar purchases, alternatives are available. Small dollar volume purchases not to exceed $500 may be done without requisitions. These four alternatives offer the option for departments to select vendors and secure accurate price quotes.

If a department wishes not to use these procedures, regular purchasing procedures may be followed. These procedures have been implemented with the understanding that department heads will be responsible for the fiscal review and monitoring of each transaction.

13.02.1 SMALL DOLLAR VOLUME PURCHASES NOT TO EXCEED $200

Options

Departments may purchase goods by cash, check, or credit cards from any vendor on an as needed basis. Original sales receipt and properly signed Miscellaneous Disbursement Voucher (MDV) are to be submitted to Accounts Payable. MDV's must fully describe item(s) purchased. A reimbursement check will be issued to the individual within seven (7) days.
Department may pick up purchases or have the purchased goods delivered directly to departmental office. Department is responsible for having original invoice and properly signed MDV sent directly to Accounts Payable. MDV must have a complete description of what is being purchased.

Regular requisition can still be used for any volume purchases.

NOTE: Items that are available and in stock in Central Supply may not be purchased from outside vendors. This procedure cannot be used for any form of compensation to an employee.

**UNIVERSITY PURCHASE CARD**

Departments may obtain a Rowan Purchase Card by completing an application available in the Purchasing Department. The card allows the user to make purchases up to $500.00, two transactions per day, and a total of $3,000.00 per month. Products and services the University normally does not purchase are blocked for additional control. Travel is not authorized with this card.

**13.02.2 $1,000 to $3,719 (PHONE QUOTES)**

Purchases in this category normally require at least three telephone quotations. Once telephone quotes are tabulated, a requisition should be transmitted to Purchasing via the FRS screens. The telephone quotation form, with the requisition number noted on it, should be delivered to Purchasing. Either the requisitioning department or the Purchasing Department may solicit the quotes. The Director of Purchasing may waive this requirement up to $3,720.00 or twenty percent or the advertised bid limit of $18,600.00 on products or services where price competition is not readily available. Call Purchasing if you have any questions.

**13.02.3 $3,720 to $18,600 (WRITTEN QUOTES)**

Purchases in this category normally require at least three written quotations. The written quotations may be obtained by the Purchasing Department by sending a requisition via FRS to the Purchasing Department that clearly describes the item(s) or service you wish to purchase. It is also permissible to have written quotations submitted on vendor letterhead, signed by a qualified officer of the vendor company, and sent to the requisitioning department.
Purchases in this category should be discussed with the Purchasing staff if you have questions or concerns.

13.02.4 OVER $18,600 (ADVERTISED BIDS)

Purchases in this category require that specifications be developed and that a legal notice be placed in the newspaper regarding the type of bid, where specifications may be obtained, and the time, place, and date of bid opening. It shall be the policy of the Purchasing Department that a bid opening shall take place a minimum of 10 calendar days from the date of advertisement. This time frame will allow prospective bidders the opportunity to pick up plans and specifications, attend any required pre-bid conference, and secure any necessary bid bonds and/or performance bonds.

This type of purchase must be discussed with the Purchasing Agent prior to submitting a requisition or specifications. This process may take six to eight weeks, depending upon the drafting of specifications, advertising, bid opening, bid review, and award of contract.

13.02.5 PURCHASE ORDER APPROVALS

For fiscal control purposes, approvals are needed as follows:

<table>
<thead>
<tr>
<th>Transactions</th>
<th>Required Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $18,600</td>
<td>Director of Purchasing</td>
</tr>
<tr>
<td>$18,600 to $50,000</td>
<td>Controller</td>
</tr>
<tr>
<td>$50,000 to $100,000¹</td>
<td>Controller</td>
</tr>
<tr>
<td>$100,000 and over ²</td>
<td>Vice President Administration and Finance, President</td>
</tr>
</tbody>
</table>

¹All transactions within this category will be reported to the President monthly.

²All transactions within this category will be reported to the University Board of Trustees at its meeting immediately following the transaction date.
13.02.6  AFFIRMATIVE ACTION COMPLIANCE PROCEDURES

The following procedures will be utilized to comply with P.L. 1975, c. 127 (Affirmative Action Regulations):

Procedures for Procurement and Service Bids

- Legal Notice will include the statement, "Bidders are Required to Comply with the Requirements of P.L. 1975, c. 127 (NJAC 17:27)."

- Standard Boiler Plate (Exhibit 13-2) for Bid Package will include:
  - Exhibit 13-2 Mandatory Language Copy of Legal Notice

- If low bidder does not have either the Federal Affirmative Action Plan Approval letter or Certificate of Affirmative Action Employee Information Report, the PACO will send to apparent low bidder FormAA302 to be completed. Once Public Agency receives copy of Form AA302, it is returned to the Public Agency Compliance Officer. Purchase order and/or contract will then be issued to the successful bidder. Purchase order will indicate that the standard terms and conditions of the bid package are incorporated as part of the purchase order and/or contract.

All documentation regarding each publicly advertised bid shall remain in the Purchasing Department.

(Most service and procurement bids are done with a purchase order and without the use of a contract signed by both the University and the vendor.)

Procedures for Bidding Construction Projects

- Legal notice will include the statement "Bidders Are Required to Comply with the Requirements of P.L. 1975, c. 127 (NJAC 17:27)."
Standard boilerplate documents (general conditions) that are used for construction bidding contain mandatory language of Exhibit 13-2. These standard boiler plate documents become part of the purchase order and/or contract when executed.

Form AA201, Initial Manning Report, shall be returned by the bidder with the signed contract that is issued and returned to the Contracting Officer.

Once contracts are signed by the Contracting Officer, they shall be forwarded to the Public Agency Compliance Officer (Director of Purchasing). PACO will review documents, and if all appropriate Affirmative Action documents are attached, will issue purchase order to the vendor. All related documentation will be maintained in the Purchasing Office.

13.02.7 WHEN AND HOW TO PREPARE THE REQUISITION

As stated earlier, the purchase requisition is transmitted to the Purchasing Department via the online purchasing system. Requisitions can be entered on the system any time prior to the year-end cut-off requirements which are published around the seventh month of the fiscal year. Requisitions should be transmitted far enough in advance to allow for normal processing time. If you enter a requisition and you have insufficient funds, you must transfer funds to cover the requisition or delete the entire requisition by notifying the Purchasing Department in writing.

13.02.8 THINGS TO CONSIDER

Whatever source of information you use in obtaining facts about products you wish to buy, read all of it and follow guidelines suggested below:

Most sources of information are catalogs, brochures, and special notices. Make sure these are current catalogs and/or price lists. For certain purchases, the requesting department should call the vendor.

Quoted prices should be as accurate as possible. Read all literature carefully to determine that it is current and that extra charges will not be incurred for items (such as postage, and/or handling, freight and installation fees). When asking for prices, make sure they are delivered prices and note the source of your prices in the body of the requisition, i.e., telephone number, name of person quoting price, company name, address and federal identification or social security number.
Taxes - The University does not pay sales tax or Federal Excise Tax. The University is exempt from N.J. Sales & Use Tax under N.J.S.A 54:32 B-1 et seq. The State Federal exemption number of Excise Tax is 22-75-0050K.

Delivery and Freight charges - Except where provided by contract or as a result of bidding, most companies’ terms are F.O.B. shipping point. This means the University pays the freight. Read all information to determine the delivery terms. If the University must pay freight, please make the notation on the requisition form. All goods are to be sent prepaid. Freight charges are added to the invoice as per agreement.

Pre-payment - Some vendors require pre-payment with a Purchase Order, especially if the dollar value is low. Some vendors, like the Superintendent of Documents, Government Printing Office in Washington, D.C., always require pre-payment. If the exact prices can be determined, then time can be saved soliciting accurate prices before pre-payment can be made. Send order form requiring pre-payment to Purchasing Department with requisition number on order form.

Description - Make sure the description provided in the requisition is complete enough to cover the following important factors.

- Model number
- Item name
- Size overall
- Electrical or gas requirements
- Manufacturer
- Warranties and/or guarantees
- Color
- With or without certain options
- Fabric, grade and type
- Accessories included
- Supplies needed to operate equipment
- Installed or not
- Finish
• Safety - Some safety requirements to consider are:
  • Fireproofing
  • Special guards
  • Explosive-proof parts in paint areas
  • Special safety features of equipment
  • Basic design of equipment does not lend itself to accidents

• Electrical Requirements - When requesting equipment using electricity or gas, consideration must be given to see if it is available at the University and that addition of this equipment would not cause an overload. Generally, the University requirement, other than 110-120 volts AC, is 208 volts 3 phase. However, check with Facilities Management to be sure.

• Size and Weight - When ordering items, make sure that size is not so great that placing equipment in the building would require destruction of any walls, etc. Always consider use of elevator capacity in terms of size and loading. Size of stairways should also be considered, as well as any doors, halls, etc. of the final destination area. Don't forget safe floor loads. Always ask, "Will it fit?"

• Installation - If possible, make sure installation is included. Do not assume that you have bought an installed item. Do not assume that the Maintenance Department or Facilities Management will be able to install the item in time for use.

• Assembly - Are the items you requested assembled or not? Make sure you know before ordering. Some items can be shipped from the vendor in an already assembled manner -- for an extra charge, of course. By having an item shipped pre-assembled all parts/pieces are present, holes for screws match, etc.

13.02.9 REQUISITIONS WITH INSUFFICIENT FUNDS

• Requisitions not having enough funds will not be printed by the system for the Purchasing Department to process.

• Refer to Budget Screen 019 before entering a requisition. Funds must be available in the account or corresponding Automatic Budget Reallocation (ABR) pool
before you enter a requisition. After you enter a requisition, Screen 256 will indicate the "DOCUMENT HAS BEEN ACCEPTED" or "THERE ARE INSUFFICIENT FUNDS," If there were no funds, you must do a budget revision and forward it to the Budget Office for approval.

- After the budget revision has been approved, you must again return to Screen 256 to complete the requisition. The message, "DOCUMENT HAS BEEN ACCEPTED", will appear on the screen. The system will now print the requisition for the Purchasing Department to process.

- Incomplete requisitions on the system more than sixty (60) days old will be cancelled by the Purchasing Department. Departments will not be notified of these cancellations.

13.03 EMERGENCY ORDERS

Policy

The University recognizes emergency orders as purchases needed for goods or services that are: (a) unforeseeable events, or (b), conditions that impact the health, welfare, or efficient operation of any aspect of the University community. Emergency orders following the procedures listed below will be the only type of confirming order that the University will pay. Any vendor invoice received by the University that pre-dates the emergency confirmation number will not be paid and will be referred to the appropriate department head and/or administrator.

Purchase orders in the Purchasing Department are filed by department and in chronological order. Should a pattern develop regarding the misuse of emergency/confirming orders, future confirmation numbers may be withheld.

Procedure -  
$1,000 - $3,719 - Contact Mr. Duke or Ms. Maloney.  
Over $3,720 - Contact Mr. Duke

- The department shall call Purchasing after it has secured a price and vendor to solve the emergency situation. Before calling the Purchasing Department, the department shall verify that it has sufficient funds to cover the emergency/confirmation order. The Purchasing Department will authorize an emergency/confirmation number. However, the requesting department is responsible for ensuring that funds are available or will become available to pay for service/goods/repair.
• If the requisitioning department needs assistance in securing a vendor, they should call the Purchasing Department.

• An emergency confirmation number will only be given after Purchasing has recorded the following:
  • requisitioning department
  • emergency to be solved
  • vendor name and phone number
  • amount of confirmation

• Once Purchasing has given the user a confirmation number, the department shall create a requisition on the on-line purchasing system and describe the services/goods/repair and costs.

• In the P/R text (screen 250) of the requisition, the user shall include the emergency/confirmation number and the name of the person in Purchasing who authorized the purchase. Once a requisition number is assigned, the department shall advise the Purchasing Department of that number, which is then assigned to the emergency/confirmation number.

• Once the purchase order is printed and signed, it will be mailed to the vendor. Then established Accounts Payable procedures should be followed. (See Chapter 8.)

13.04 PURCHASING VIA THE WAIVER OF ADVERTISING PROCESS

Each year Blanket Waivers of Advertising are approved by the Rowan University of New Jersey Board of Trustees at their May meeting. Items not covered by these blanket waivers must be approved by the Board of Trustees prior to their purchase. Accordingly, all requests for a waiver must be approved by the Vice President for Administration and Finance and be submitted to the Purchasing Department at least three (3) weeks prior to the Board of Trustees meeting.

Types of purchases, both commodities and services, that this group includes are: publishers, software agreements, textbook companies, library database agreements, finance companies, utilities, banks, food distributorships, New Jersey Bell, beer distributors, etc. These types of purchases can qualify for Waiver of Advertising and are listed in the State University Contracts Law (see Exhibit 13-1) under 4.a., Purchases, Contracts, Agreements, Advertising, and Exceptions.
Prior to issuing Purchase Order Contracts for the year, the Public Agency Compliance Officer (PACO) will ensure that the following Affirmation Action regulations are met.

- Mandatory language for procurement and service contracts (**Exhibit 13-2**) will be attached to the purchase order contract and returned to the PACO office.

- All vendors will be required to submit one of the following with the signed mandatory language.
  
  - Federal Letter of Approval, or
  - Certificate of Affirmative Action Employee Report, or
  - Completed copy of Form AA32

Once all documents have been reviewed by the PACO, the purchase order will be approved for payments.

- Procedures for Waivered Contracts (not the same vendors each year)
  
  - A/E Contracts
  - Consulting Contracts
  - Performing Artist Contracts
  - Physician Contracts

These contracts are typically signed prior to the issuance of a requisition and/or Miscellaneous Disbursement Voucher. (MDV is never seen by the PACO.) Accordingly, two areas of responsibility are hereby delineated.

**Contracting Officer**

- Ensure that Mandatory Language is part of or attached to all Architect/Engineering contracts, performing artists and physician/medical service contracts. (See **Exhibit 13-2** - Procurement, Professional and Service Contracts.)

- Mandatory Language requires evidence of Affirmative Action. If letter of Federal Approval or Certificate of Employee Information Report is not provided with contract documents, Form AA302 shall be completed by the vendor prior to contract being signed by the contracting officer.
• When appropriate Affirmative Action language and evidence is provided, contract and related documents shall be forwarded to Public Agency Compliance Officer. (Same procedure as construction contracting.)

Public Agency Compliance Officer (PACO)

• Shall periodically meet with Director of Performing Arts, Health Center Staff, Contracting Officer, Director of Facilities and other University personnel to review P.L. 1975, c. 127 (NJAC 17:27) and how it relates to contracting procedures.

• Shall advise all appropriate University personnel of procedures to be followed to comply with Affirmative Action Regulations in Public Contracting.

• Shall review all Contract Documents and Affirmative Action evidence to ensure compliance with P.L. 1975, c. 127.

• Public Agency Compliance Officer (Director of Purchasing) shall not issue any purchase order until all requirements of P.L. 1975, c. 127 are reviewed and approved.

• PACO shall ensure that all purchase orders and contracts are filed and have the appropriate Affirmative Action documentation attached.

• All questions related to Affirmative Action and Public Contracts shall be referred to the PACO.

13.05 PURCHASING VIA THE USE OF A BLANKET ORDER THAT HAS AN UNPREDICTABLE FREQUENCY OF ORDERING

A blanket order is defined as a purchase order that is established with a particular vendor for a specified amount of time for an amount not to exceed a certain dollar value. The commodities purchased from a blanket order usually cannot be predicted in terms of frequency and time/date needed. The use of a blanket order will usually decrease the amount of administrative time and cost of processing separate orders.

All blanket orders must be approved by the Director of Purchasing.
13.05.1 PROCEDURE

- Call the Director of Purchasing to discuss the need and rationale for the blanket order.

- Once approved by the Director of Purchasing (or designee), requisition shall be entered onto the FRS system. The requisition should indicate who is authorized to obtain goods or services from the blanket order. This information will appear on the vendor's purchase order so that unauthorized persons may not obtain goods and services.

- The department shall follow Accounts Payable procedures for payment of bills. (See Chapter 8.)

13.06 PURCHASING VIA THE USE OF THE BLANKET ORDER WITH A PREDICTABLE FREQUENCY OF ORDERS

This type of Blanket Order shall be established at the beginning of the fiscal year to establish an encumbrance and purchase order number to pay for a service or commodity that will be received and paid for on a regular basis.

These types of blanket orders shall be used for:

- Advertising (3830)
- Electric (2510)
- Natural Gas (sub-code 2520)
- Fuel Oil (2530)
- Water (2540)
- Sewer (2550)
- Telephones (3110, 3120, 3140)
- Postage (3200, 3210, 3220)
- Insurance (3300)
- Professional Services over $1,000 (3610, 3620, 3630, 3640, 3650)
- Contract Copy/Duplication (3870)
- Trash Disposal (3880)
- Exterminating Services (3890)
- Rentals for established periods of time with fixed costs (4400, 4500, 4600, 4700)
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The primary purpose of this type of blanket order is to avoid creating a purchase order every month or for every invoice on a regular basis for the same service/commodity and vendor. Creating requisitions and issuing purchase orders for invoices that are predictable causes delays in the payment process.

Accordingly, requisitions should not be used to pay for invoices. Advertising costs that cannot be determined prior to publication can be paid by a Miscellaneous Disbursement Voucher with original invoice.

13.07 PROFESSIONAL SERVICE

Consulting, Accounting, Entertainment, Architects and Engineers

This type of service is usually exempt from bidding if a Waiver of Advertising is done by the Board of Trustees. Where necessary and required contract documents are signed by the Vice President for Administration and Finance.

13.07.1 HOW TO PROCESS

• All contracts over $500 shall follow the requisition/purchase order process. A Requisition should be processed at least two weeks (14 days) before service(s) begin. Payments will be invoiced against the purchase order number. Invoice and receiving reports are sent to Accounts Payable for payment.

• The requisition must include scope of service(s) and/or date(s) of service where applicable.

• All contracts under $500 shall be paid by a Miscellaneous Disbursement Voucher (MDV). Invoice, receiving reports, and a copy of Contract/Letter of Agreement shall be attached to the MDV and sent to Accounts Payable for payment.

• All requests for pre-payment under $500 shall be made by MDV and accompanied by sufficient and detailed documentation (including Contract/Letter of Agreement) as to why pre-payment is required.
13.08 PROCEDURES FOR BIDDING CONSTRUCTION PROJECTS USING ARCHITECT/ENGINEER (A/E)

13.08.1 COMMISSION OF WORK TO A/E

The Director of Facilities Planning sends notice to proceed letter to Architect/Engineer (A/E) and copy to Purchasing Department. (This assumes that contract and purchase order have been signed and given to A/E. See A/E contract policy and procedures.)

The Purchasing Department will establish a cross reference filing system for both the A/E contracts and construction project file.

13.08.2 BID DOCUMENT PREPARATION STAGE

The Director of Facilities Planning will:

- Assure that A/E is using the approved terms and conditions to put in boiler plate.
- Work with A/E regarding drawings and detailed specifications of project.
- Budget
- Refer A/E to Purchasing Department.

The Purchasing Department will:


A/E will:

- Prepare bid document using approved Rowan University of New Jersey Terms and Conditions and boilerplate forms.
Facilities Planning will:

- Once completed, sign off on prints and specifications and forward to Director of Purchasing to arrange bidding schedule.
- Electronically transmit requisition to Purchasing Department for project after plans and specifications have been approved by the Director of Facilities Planning.

13.08.2  **BIDDING STAGE**

A/E shall:

- Include legal notice in boiler plate bid forms.
- Pick-up of all plans and specifications will be at the location of the A/E. A/E will also hold deposits for plans and specifications.

Purchasing will:

- Call A/E to schedule bid advertising, pre-bid, and bid opening.
- Send legal notice to *Courier Post*, and to contractors on bidder's list. Advertise in legal newspaper.

A/E will:

- Attend mandatory pre-bid conference and issue any needed addendum to each firm represented. Said addendum should be sent to pre-bid attendees by fax or registered mail and acknowledged if bid is submitted.
- Bid schedule should allow for two weeks from advertisement to pre-bid and one week from pre-bid to bid opening. Bidders should have addendum at least 72 hours before bid opening.
- Any contractors not attending pre-bid may not submit a bid nor pick up bid specifications after the pre-bid meeting.
13.08.4  BID OPENING

Facilities Planning will:

- Attend pre-bid and bid openings.
- Provide adequate tables and chairs.

A/E will:

- Provide a blank copy of Bid Summary Sheets for each bidder and for Purchasing Department at bid opening.
- Record bid prices as read by Purchasing Agent.

Director of Purchasing will:

- Announce that bids are closed and proceed to open and read aloud all sealed bids.
- Advise bidders that bids will be reviewed and determination of award will be forthcoming within 60 days.
- Advise bidders that they can make appointment to review bids in Purchasing Office.

A/E will:

- Review bids submitted and make written recommendation to Director of Facilities Planning. If a recommendation to award is made, each contract, vendor and dollar volume of each contract should be detailed.

13.08.5  BID REVIEW AND RECOMMENDATION FOR AWARD

Director of Facilities Planning will:

- Send copy of A/E recommendations to Director of Purchasing with cover letter indicating whether contracts will be awarded, rejected, or rebid (if rejected or rebid, the reasons for such actions).
- Insure that funds are encumbered by requisition.
- Prepare contracts (4 copies) and send to contractor/vendor for signature(s) and request for Payment Bond, Performance Bond and Insurance Certificates.
- Once contracts, bonds and insurance certificate are returned to Director of Facilities Planning, the bonds will be forwarded to the Director of Purchasing.

Director of Purchasing will:

- Review bonds and advise. (If the University's form of bonds are completed by the contractor's surety company, no further review would be needed.)
- If questions or areas of concern are identified in the bond, they will be forwarded to the Director of Facilities Planning.

Director of Facilities Planning will:

- Once acceptable bonds are received, Director of Facilities Planning will secure the Contracting Officer's signature on four (4) copies of the contract.
- Once contracts are signed, Director of Facilities Planning will have hand carried to Purchasing:
  - Signed original contracts (1 copy).
  - All Bonds and Insurance Certificates.
  - Cover letter indicating attachments.

Director of Purchasing will:

- Review the contract package.
- Once review is completed, create and have signed purchase order(s). Purchase order with attached Initial Manning Report will be hand carried to the Director of Facilities Planning to be attached to contract and given to the vendor at pre-construction meeting.
13.09 PROCEDURES FOR BIDDING FACILITIES-RELATED PROJECTS WITHOUT THE USE OF A/E

13.09.1 REQUISITION STAGE

Requisition is received in Purchasing Department from using Department. Attached to requisition may be backup information such as quotations, sketches, equipment description, etc.

- Cover letter, copy of requisition, and supporting material is sent to Director of Facilities.
- Original copies of sent documents will be kept on file in Purchasing in file labeled "Awaiting Specifications."

13.09.2 SPECIFICATION DRAFTING STAGE

- Facilities Office will be responsible for any drawings, detailed specification and site visits to using department to determine if pre-bid conference is needed.

- Once specifications have been reviewed and signed off by using department, Facilities shall send approved specifications to Purchasing Department.

13.09.3 BIDDING STAGE

With receipt of approved specification, Purchasing will contact Facilities and using department to schedule:

- Advertising date
- Pre-bid conference date (if needed)
- Date/time/location of bid opening
- Budget
- Once legal notice has appeared in newspaper, copy of legal notice will be sent to Director of Facilities and using department. Staff member(s) of Facilities and/or using department may attend pre-bid conference and/or bid opening.
Bids will be publicly opened at time, date, and location in legal notice.

13.09.4  CONTRACT AWARD STAGE

Once bids have been opened, Facilities, using department, and Purchasing staff will review bids submitted. When lowest responsive and responsible bidder is determined, contract will be awarded and purchase order issued to contractor/vendor. Purchasing will send Director of Facilities a copy of purchase order and indicate name and phone number of contact person for the awarded contractor. Copy also sent to using department.

13.10 INTERNAL PROCEDURE FOR CONTRACTING ARCHITECTS/ENGINEERS

Step 1

Once an architect/engineer has been selected using the proper procedure, the Director of Facilities will initiate three (3) original copies of a contract.

Step 2

The Director of Facilities will communicate to the Manager, Maintenance Office Systems, the need to establish a purchase requisition prior to the signing of contracts. A requisition will be established on the FRS system indicating the contract number, the contract amount, the account number and the contract architect/engineer name. A hard copy of the original requisition will be made and maintained in the Maintenance Office files.

Step 3

Upon completion of Step 2, the original requisition will be forwarded to the Director of Facilities to be written on the contracts. The three (3) original signed contracts established in Step 1 will be forwarded to the architect/engineer for signature.

Step 4

Upon return of the three (3) original signed contracts from the architect/engineer, the Director of Facilities will match the contracts with a printed copy of the requisition.
Step 5
Director of Facilities will forward all original copies of the contract and the copy of the requisition to the Vice President for Administration and Finance. The Vice President will sign all three (3) copies of the original contract and return all documents to the Director of Facilities.

Step 6
Director of Facilities will forward two (2) signed copies of the original contract to Purchasing.

Step 7
Purchasing will prepare and issue a purchase order. Distribution of documents will be as follows:

- One (1) original contract will be retained along with a copy of the purchase order in the Purchasing files.
- One (1) original contract and the original purchase order will be mailed to the vendor.
- A copy of the executed purchase order will be forwarded to the Office of Director of Facilities.

Step 8
The Director of Facilities will maintain a copy of the purchase order in his files along with a copy of the original contract.

13.11 PRE-PAYMENTS – WHAT TO USE WHEN

13.11.1 REQUISITION PURCHASE ORDER PROCESS

The purchase order "check with" function of FRS will be utilized under two circumstances:

- A purchasing process is utilized and a check is mailed with the purchase order for a future delivery that requires a pre-payment. These types of transactions should be very infrequent.
- A purchase order and/or order form is required and pre-payment is required. This type of process is used primarily for books, manuals, and other type of reference materials.

Any pre-payment over $500 that is requested by the requisition/purchase order will require a written justification from the Department Head and discussed with the Director of Purchasing prior to entering the requisition. All of these checks will be mailed.

13.11.2 MISCELLANEOUS DISBURSEMENT VOUCHER PROCESS

Pre-payments via the MDV process will be used for all pre-payments not covered by the requisition/purchase order process. Examples are as follows:

- Memberships and dues
- Room reservation deposits for hotel
- Any checks required to be picked up because of a short notice and date check is required
- Performing Artist Contracts
- Personal Service Contracts

13.12 USE OF PROPER ACCOUNT CODES AND SUBCODES

The use of proper account codes and subcodes is an important accounting function. Account codes and dollars spent in the various codes are used for reporting purposes, budget projections/forecasting, and end-of-year reports.

It is most important that proper subcodes be used when creating requisitions. If you have questions regarding the use of subcodes, call the Budget Office prior to entering your requisition. (A detailed chart of accounts and definitions for each subcode is available in the Office of Accounting Services.)
13.13 PROCEDURES FOR 3000 SERVICE ACCOUNTS

<table>
<thead>
<tr>
<th>Account</th>
<th>Sub-Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3010</td>
<td></td>
<td>Travel regular - Reimbursement for regularly scheduled travel is on an Employee Expense Reimbursement form. (See Chapter 14 of the manual.)</td>
</tr>
<tr>
<td>3020</td>
<td></td>
<td>Travel conference - Two copies of the Request for Travel form (see Chapter 14) must be filed in the Accounts Payable Office four weeks in advance of the trip. Employees may request a travel advance. An Employee Expense Reimbursement form must be filed within one week after the trip is completed. Pre-payment for lodging, conference fees, etc., will be done by MDV.</td>
</tr>
<tr>
<td>3030</td>
<td></td>
<td>Travel - Prospective Employees - Reimbursement for travel expenses incurred by a prospective employee is on a Miscellaneous Disbursement Voucher. Sufficient details and original receipts must be filed with the Miscellaneous Disbursement Voucher.</td>
</tr>
<tr>
<td>3040</td>
<td></td>
<td>Moving Relocation - Reimbursement to employees for costs incurred in relocation is on a Miscellaneous Disbursement Voucher. When services are provided by a vendor, a University purchase order must be issued.</td>
</tr>
<tr>
<td>3100</td>
<td></td>
<td>Telephone Service - The purchase of telephone services is performed by the Business Office. Purchase Orders will be issued for telephone services. Employees can be reimbursed for telephone expenses on either a Miscellaneous Disbursement Voucher or an Employee Expense Reimbursement form.</td>
</tr>
<tr>
<td>3200</td>
<td></td>
<td>Postage - Postage charges are incurred by the Mailroom. Employees can be reimbursed for postage using a Miscellaneous Disbursement Voucher.</td>
</tr>
<tr>
<td>3300</td>
<td></td>
<td>Insurance - Arrangements for insurance must be made through the Vice President for Administration and Finance. A purchase order will be issued for insurance coverage.</td>
</tr>
<tr>
<td>3400</td>
<td></td>
<td>Data Processing Services - Data Processing Services under contract must be obtained by the requisition/purchase order process.</td>
</tr>
</tbody>
</table>
3500  Contract Custodial Services - Services provided by outside contractors to provide cleaning, window washing, etc.

3510  Food Services - This account is reserved for services provided by the University Dining Service. Payment is made through a Departmental Charge Authorization Form (see Chapter 8).

3520  Bank Services - Bank services are paid by a Miscellaneous Disbursement Voucher and Purchase Order.

3610  Professional Services - Auditor - Blanket Purchase Order over $1,000.

3620  Professional Services - Legal - Blanket Purchase Order over $1,000.

3630  Professional Services - Consultant - Blanket Purchase Order over $1,000.

3640  Professional Services - Medical - Blanket Purchase Order over $1,000.

3650  Professional Services - Other - University purchase orders will be issued in advance of any services obtained by a consultant over $1,000.

3700  Licenses/Registration Fees - License fees and registration fees are processed on a Miscellaneous Disbursement Voucher and Purchase Order. These payments do not include driver's licenses or vehicle registration.

3810  Staff Training – Reimbursement for staff training expenses incurred by an employee are reimbursed using a Miscellaneous Disbursement Voucher. Arrangements for staff training should normally be done on a University purchase order. Where pre-payment is required, a Miscellaneous Disbursement Voucher should be used.

3820  Honorarium - An honorarium is defined as payment for services for which there is no set price. Honoraria are usually for workshop leaders, resource people, coordinators and personnel who directly contribute to the function. An honorarium will be paid on a Miscellaneous Disbursement Voucher which must be submitted to Accounts Payable at least two weeks in advance for the expected date.
Purchasing

Chapter 13

Revision Date: 3/17/02

3825  Stipends - Stipends are defined as payments to individuals for services or to defray expenses. Stipends are generally paid to participants of a meeting, conference, etc. Persons receiving a stipend are not an integral part of the meeting or conference. Stipends will be paid on Miscellaneous Disbursement Voucher which must be submitted to Accounts Payable at least two weeks in advance of the expected date.

3830  Advertising Public Relations - All services for advertising, including legal notices and personnel recruitment, must be processed in advance using a University purchase order. No purchase order created after date of invoice or advertisement.

3840  Subscriptions - Miscellaneous Disbursement Voucher

3850  Memberships - Subscriptions and memberships are processed using a Miscellaneous Disbursement Voucher.

3860  Official Reception - Goods or services needed for official receptions should be processed using a University purchase order to order materials and supplies for future delivery. Reimbursement for out-of-pocket expenses should be processed on a Miscellaneous Disbursement Voucher.

3880  Trash Disposal

3890  Exterminating

3899  Other Services - Trash disposal, exterminating, and other services not previously included in the 3000 series accounts should be processed using a University purchase order.

If you have questions, call the Purchasing Department.