

Purchasing Manual

UMASS Boston

As of November 30, 2007

**UMASS BOSTON PURCHASING POLICIES
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University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.1
Subject: Purchasing Policy Trustee Doc. T-92-031, as revised (Appendix A) Passed by the BoT 6/3/92 Revised: 12/4/96 Revised: 8/7/02	

I. PURPOSE

The purpose of this policy is to govern purchases of goods for the University.

II. SCOPE

In accordance with the provisions of Section 3 and Section 13 of Chapter 75 of the General Laws, as amended, all purchases irrespective of source of funds under the provisions of said Section 13 shall be governed by this document subject to subsequent amendment, revision, or repeal, from time to time, by the Trustees. This policy shall also apply to agreements or franchises for the use of or access to University premises or facilities.

III. DEFINITIONS

Operational Services: Those services that are required for the routine operation of the University or maintenance and repair of University property or facilities but that cannot be provided by University employees and are instead provided by independent contractors. Operational services are to be distinguished from Consultant Services of a professional advisory nature, which are governed by the provisions of Appendix D.

IV. POLICY

General Bid Requirements

The University shall obtain all supplies, printing, equipment, and other property at the lowest cost to the Commonwealth and the University as is consistent with the quantity, quality, durability, availability, serviceability, and other factors affecting service and use as required by the using department of the University. In complying with this policy, the cost of acquisition and the delivery time required shall be considered as well as the cost of the item being purchased. Advertisement for and receipt of competitive bids shall be used whenever practicable, or when required by law. Invitations to bid shall be posted on a publicly displayed bulletin board at the respective University campus, and when deemed desirable, or as required by law, may be advertised in newspapers and trade journals in the state.

Bid forms and specifications shall be drawn on a basis to encourage open competition; provided, however, that the specifications shall be written so as to assure the quality and features needed by the using departments of the University. Provisions may be made for the submission of samples that may be examined, tested, and analyzed to determine if they meet the specifications.

Provisions shall be made for maintaining a list of all persons and firms who wish to bid on University purchases and the classes of items on which they have requested permission to bid. Invitations to bid shall be sent to all who have asked to be placed on the list and to such others as may be determined necessary to stimulate competition.

University personnel responsible for purchasing shall, to the greatest possible extent, inform themselves of prices and specifications of items available through the Commonwealth of Massachusetts, Division of Procurement and General Services Price Agreements and may use them whenever it would be to the advantage of the University.

When practicable, requisitions and orders shall be grouped to take advantage of quantity discounts.

The University's commitment to the principles of Affirmative Action shall be applied to purchasing with the objective of achieving and fostering greater minority and women-owned business enterprise participation in University procurement activity and encouraging socially or economically disadvantaged business owners to respond to invitations to bid on University business.

Exceptions to Bid Requirements

- a. Subject to provisions of Section 13 of Chapter 75 as amended, the purchase of supplies and other property without advertising and competitive bids shall be limited to:
 - i. Orders five thousand dollars (\$5,000) and under in value;
 - ii. Those cases where competitive bidding would be impracticable;
 - iii. Emergency situations.
- b. The purchase of any Labor and Materials Construction project without advertising and competitive bids shall be limited to ten thousand dollars (\$10,000) and under, and shall further comply with the provisions of any applicable Massachusetts General Laws.
- c. Contracts for Operational Services (not to be confused with Consultant Services - See Appendix D) shall be subject to competitive bidding whenever practicable, when the projected fee is more than twenty-five thousand (\$25,000) or shall require sole source justification.
- d. For purposes of administration of this policy, each campus may determine within the established ranges, outlined within this section, its own dollar limit on purchases requiring a bidding procedure.

Purchasing Administration

No person is authorized to obligate the University without encumbering, in advance, sufficient funds to meet the obligation.

The Vice President for Management and Fiscal Affairs and Treasurer, under the direction of the President, is designated as the officer of the University responsible for formulating and maintaining guidelines to implement these policies.

Each campus shall be responsible for maintaining a central procurement department.

The President shall appoint a Purchasing Council consisting of the directors of the campus Procurement/Purchasing Departments which shall meet at least annually to discuss system-wide procurement issues and to maximize economies through cooperative efforts when possible. The Board of Trustees encourages the continued use and expansion of the mission of the Massachusetts Higher Education Consortium. Each Chancellor may delegate responsibility for procurement and implementation and enforcement of approved purchasing policies and procedures. Where deemed appropriate and in the best interest of the University, contracts should be reviewed by the University General Counsel's office.

Delegation of Purchasing Authority

The President of the University is hereby delegated the following purchasing authority, with authority to re-delegate solely to the Chancellors, their designee(s), or such other officers as the President sees fit:

- (a) Authority to enter into contracts for labor and materials exceeding \$25,000.
- (b) Authority to enter into leases of equipment for periods exceeding one year, irrespective of amount.
- (c) Authority to enter into leases of real property.

The President of the University and the Chancellors are hereby delegated the following purchasing authority for University-wide or President's Office matters and campus matters, respectively, with authority to re-delegate to the Treasurer, purchasing directors, and such other officers as they see fit:

- (a) Authority to sign purchase orders irrespective of type or amount.
- (b) Authority to enter into leases of equipment for periods that do not exceed one year, irrespective of amount.
- (c) Authority to enter into contracts for labor and materials and contracts for services under \$25,000.

All delegation of purchasing authority shall be made in writing and forwarded to the office of the University Vice President for Management and Fiscal Affairs (with a copy to the General Counsel's Office).

University of Massachusetts Boston, Purchasing Policy
http://media.umassp.edu/massedu/policy/purchasing_policy.pdf

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.2
Subject: Consultant Services Trustee Doc. T-92-031, as revised (Appendix D)	

I. PURPOSE

The purpose of this policy is to provide guidelines and procedures for the appointment of non-employee personnel.

II. GENERAL

1. This delegation is made under and pursuant to Massachusetts General Laws Chapter 75, Section 3A, as amended, and to the By-Laws of the Board of Trustees.
2. This delegation relates to professional service contracts (other than operational services under Appendix A). Professional services shall be defined as those services provided by persons or groups identified as independent contractors by the Massachusetts General Laws, Chapter 149, Section 148.B (See full text in Section 1.2.1). These individuals or groups are not paid through the University’s payroll system. Any professional service contract whose annual projected expenditure exceeds \$50,000 annually shall be bid competitively whenever practicable or sole source justification shall be provided.
3. A standard contract form for each contract, where the amount expended annually exceeds \$5,000, shall be used as a binding contract. The standard forms shall be prepared by the Vice President for Management and Fiscal Affairs and approved by the General Counsel.
4. This policy does not apply to any items covered by the *Purchasing Policy* (Appendix A).

III. DELEGATION OF SIGNATURE AUTHORITY

A. There is hereby delegated solely to the President of the University:

1. Authority to contract for Professional services to be performed by consultants and other persons engaged other than in an employment status where the amount to be expended for professional services under any such contract shall exceed \$200,000 in any fiscal year and other than for services to be performed for or under the direction of the Board of Trustees. The President shall report to the Committee on Administration and Finance on all such contracts. Reports shall be made regularly, but no less than annually.
2. Authority to sign and deliver all papers and documents relating to the contracting as aforesaid for services of non-employees.

B. There is hereby delegated to the President of the University, with authority to re-delegate solely to the Chancellors:

1. Authority to contract for professional services to be performed for the particular campus by consultants and other persons engaged other than in an employment status where the amount to be expended for professional services under any such contract shall not exceed \$200,000 in any fiscal year.

2. Authority to sign and deliver all papers and documents relating to the contracting as aforesaid for services for non-employee.

C. There is hereby delegated to the President of the University, with authority to re-delegate to the Chancellors, who may sub-delegate such authority as they determine appropriate.

1. Authority to contract for professional services to be performed for the particular campus by consultants and other persons engaged other than in an employment status where the amount to be expended for professional services under any such contract shall not exceed \$50,000 in any fiscal year.
2. Authority to sign and deliver all papers and documents relating to the contracting as aforesaid for services of, or engaging as aforesaid, non-employees.

D. All sub-delegations shall be made in writing and forwarded to the office of the Vice President for Management and Fiscal Affairs (with a copy to the General Counsel's office).

E. All contracts for professional services in an amount to exceed \$25,000 in a fiscal year should be reviewed for form and content by the General Counsel's office.

F. The President shall have the authority to exclude from these delegations any categories or types of consultant service or professional service contracts as he deems necessary or appropriate.

G. The President shall issue guidelines to implement this policy. Said guidelines shall include but are not limited to a requirement that campuses provide a quarterly listing of all newly executed consulting or professional service contracts over \$50,000 to the Vice President for Management and Fiscal Affairs and Treasurer. Listings shall include the name of the consultant or firm, contract purpose, total contract amount, and the duration of the contract. A listing of all consultant contracts executed over \$50,000 shall be provided quarterly to the University Treasurer, and shall include the name of the consultant or firm, the amount, and the duration of the contract.

Bidding Procedures to follow:

Designer Procedure M.G.L. c. 7, ss. 38A1/2-O

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.2.1
Subject: Establishing Control	

To determine whether a worker is an employee or independent contractor, you should apply the common law test of control. Under this test, if you have the right to control and direct what a worker does and how he or she does it, a relationship between you and the employee exists. In the absence of such control, a worker may be classified as an independent contractor.

Chapter 149: Section 148B. Persons performing service not authorized under this chapter deemed employees; exception

Section 148B. (a) For the purpose of this chapter and chapter 151, an individual performing any service, except as authorized under this chapter, shall be considered to be an employee under those chapters unless:—

(1) The individual is free from control and direction in connection with the performance of the service, both under his contract for the performance of service and in fact; and

(2) The service is performed outside the usual course of the business of the employer; and,

(3) The individual is customarily engaged in an independently established trade, occupation, profession or business of the same nature as that involved in the service performed.

(b) The failure to withhold federal or state income taxes or to pay unemployment compensation contributions or workers compensation premiums with respect to an individual's wages shall not be considered in making a determination under this section.

(c) An individual's exercise of the option to secure workers' compensation insurance with a carrier as a sole proprietor or partnership pursuant to subsection (4) of section 1 of chapter 152 shall not be considered in making a determination under this section.

(d) Whoever fails to properly classify an individual as an employee according to this section and in so doing fails to comply, in any respect, with chapter 149, or section 1, 1A, 1B, 2B, 15 or 19 of chapter 151, or chapter 62B, shall be punished and shall be subject to all of the criminal and civil remedies, including debarment, as provided in section 27C of this chapter. Whoever fails to properly classify an individual as an employee according to this section and in so doing violates chapter 152 shall be punished as provided in section 14 of said chapter 152 and shall be subject to all of the civil remedies, including debarment, provided in section 27C of this chapter. Any entity and the president and treasurer of a corporation and any officer or agent having the management of the corporation or entity shall be liable for violations of this section.

(e) Nothing in this section shall limit the availability of other remedies at law or in equity.

(See Contracting for Professional Services, Section 3.5)

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.3
Subject: Logos/Trademarks (UMass), Licensing Doc. T01-025 Passed by the BoT 5/2/01	

TRADEMARK AND LICENSING POLICY

The President of the University shall see to the development and implementation of guidelines governing both the internal and external commercial and non-commercial use of the University's trademarks, service marks, logos, names, insignia, seal design and other symbols or devices associated or referring to the University of Massachusetts or its individual campuses. The President may amend the guidelines as appropriate or as required by law. Such guidelines shall make provision for the regulation of all uses of the University marks essential to protect the University's trademark rights and image from liability and to protect against dilution of the marks. The guidelines will provide specifications and requirements for all commercial and non-commercial uses of the University marks, whether fund raising, sale for profit, sponsorship, advertising, Internet application or promotion. Assignment of responsibility for assuring that these regulations are carried out will be made to the Director of the University's Licensing and Trademark Office. The Director of Licensing will be responsible for negotiating and implementing all Licensing agreements and contracts. No other person, department or agency is authorized to perform trademark-licensing administration. Controversial issues, products, services or enforcement activities will be reviewed with the appropriate Campus or President's Office administrator and/or the General Counsel's Office.

Internal Non-Commercial use of the University's names by registered affiliated organizations, departments and recognized support groups such as professional associations, employee organizations athletic, cultural, alumni and other interest groups is permitted within the guidelines set by each Campus's Visual Identity Guide. Additionally, the names or marks may be used for identification purposes limited to use by their members, on material for departments or campus groups for their own use such as stationery, posters, business cards, signs, banners and uniforms. Official publications for distribution are considered non-commercial. Such uses do not need to be reviewed or authorized by the Licensing and Trademark Office.

Internal and External Commercial Use is only permitted by license or authorization from the Director of Licensing and Trademarks. Commercial use includes the manufacture of all consumer products, services, advertising, domain names, sponsorship and promotion sold, distributed or given away through any marketing channel including the World Wide Web. All University organizations using the names, marks, logos, seals and/or symbols of the University in any **Internal Commercial** venture, whether fundraising, sponsorship, promotion or Internet agreement are required to seek prior approval for the use of those marks from the Licensing and Trademark Office and must be purchased through authorized licensees. Items or services used for promotional purposes such as giveaways or premiums are considered commercial, but may be eligible for royalty exemptions if offered to an internal audience. Written request for royalty exemptions will be reviewed and assessed by the Licensing and Trademark Office. All approved requests must go through licensed vendors. Liability insurance and standard quality control terms and conditions apply.

All University **Agreements and Contracts** that allow an external organization, company or individual to use the University's names or marks as part of and/or in conjunction with that Agreement or Contract require a secondary Licensing Agreement issued by Licensing and Trademark to control the use of the marks and to protect the University from liability. This includes sponsorships, grants, promotions and Internet applications as well as all other agreements that allow for external use of the University marks or names. No party to a

University agreement or contract may assign or sub-licensed the rights to use the University name or marks to a third party. Depending upon the consideration to be received by the University, additional royalties or fees may be waived.

Product and service licenses will be considered for companies, organizations or individuals who meet all the requirements and standards and whose products, services or promotions are judged to be appropriate for the University and do not interfere or conflict with current University contractual obligations. Additionally, all potential apparel licensees must agree to adhere to **University of Massachusetts Code of Conduct for Apparel Licensees** prior to securing a license.

The University is legally obligated to enforce its trademark ownership rights. The Licensing and Trademark Office in conjunction with University's General Counsel's Office will act to stop counterfeit or illegal use of the University's names, logos and marks when such use is discovered.

Royalty and fee income from licensing activities that exceeds the cost of administering the University's Licensing Program will be proportionally distributed to the Chancellors or the Chancellors designee for each campus on an annual basis.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.4
Subject: Rationale for Centralized Purchasing and the Bid Process	

Following is the rationale behind centralized purchasing and why we obtain bids:

What is a Contract:

Each Purchase Order issued is a contract. A contract is established by someone making an offer and someone else making an acceptance that is covered by consideration (money). When you send out a Purchase Order, you are offering to buy something. The vendor accepts your offer by acknowledgment, or by filling the order and shipping the goods requested.

What is Centralized Purchasing?

Centralized purchasing is a system of purchasing in which the authority, responsibility, and control of purchasing activities is concentrated in one administrative unit. At the Boston Campus, the administrative unit that has such control is the Purchasing Department. As a public institution, the University is governed by the laws and regulations that pertain to purchasing in higher education as established by the Commonwealth and the University’s Board of Trustees. Centralized purchasing provides the checks and balances that are necessary to insure that goods and services are purchased within such laws and regulations, from responsible sources, and at the best possible prices.

Why obtain Bids?

There are many variables to be determined in buying that are best answered by obtaining bids. These variables, in the form of questions, are as follows:

1. Is the product the best one available for the particular application?
2. Is the product description current, or has a more current model superseded it?
3. What is the availability of the product?
4. What is the F.O.B. point?

This determines who pays the freight: but what is more important, title to the goods passes at the F.O.B. point. We always try to establish the F.O.B. point as the University, which means the vendor pays the freight, and if any freight is lost, stolen, or damaged in transit, it is the vendor’s problem, because they have title of the product.

5. Are the vendor’s name and addresses still current?
6. What are the payment terms?
7. What is the current price?

When a vendor returns a bid, (s)he is making an offer. If we issue a Purchase Order, we have accepted their offer and covered it by consideration. It may seem like a minor point, but going out to bid first simply places the horse before the cart and enables us to make the final decision whether we wish to place the order on the vendor’s terms. Retention of this control within the University is an important prerogative.

These things should be kept in mind as you read through this manual. The various sections explain when formal, advertised bids through the Purchasing Department are required, and when the requesting department may obtain quotes, written or otherwise.

Bid Limits

Building Contracts Estimated to Cost between \$10, 000 and \$25,000

Building Contracts Estimated to Cost between \$25, 000 and \$100,000

Building Contracts Estimated to Cost More Than \$100,000

Contractor and subcontractor prequalification for building contracts estimated to cost \$10 million or more

Contracts Subject to M.G.L. c. 30, s. 39M applies to the construction, reconstruction, alteration, remodeling, or repair of any public work. Also governs the purchase of construction materials estimated to cost more than \$10,000.

Public Works \$10,000 but not more than \$25,000

Public Works over \$25,000 up to \$100,000

Public Works over \$100,000

Bidding for Supplies over \$5,000, Operational Services over \$25,000 and Real Property over \$5,000

Invitation for Bid (IFB) low bidder over \$5,000 for supplies, over \$25,000 for operational services and over \$50,000 for Consultants.

Request for Proposal (RFP) evaluation of non-price and price proposal over \$5,000 for supplies, over \$25,000 for operational services and over \$50,000 for Consultants.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.5
Subject: Purchasing Policies and Procedures	

The following procedures expand upon the policies governing purchasing adopted by the Board of Trustees on June 3, 1992, in accordance with the provisions of Sections 3 and 13 of Chapter 75 of the General Laws, as amended by Chapter 142 of the Acts of 1991. This manual represents the basic purchasing policy to be followed by the University of Massachusetts Boston.

Responsibilities and Objectives:

The Purchasing Department is the on-campus department that is charged with the responsibility to:

1. Obtain public bids to obtain maximum value from the expenditure of University funds in the purchase of materials and services, greater than \$5,000;
2. Coordinate the purchase of materials and services for all functions of the University;
3. Provide value added services to the University by constantly striving to find new and better products, sources of supply, and better ways of meeting the needs of the using departments;
4. Maintain liaison with the vendors that service the University;
5. Develop University purchasing standards based upon value analysis, economies of scale, total acquisition costs, and budget limitations;
6. Assist University departments in locating substitute materials in cases of emergencies, material shortages, strikes, or other external circumstances;
7. Protect the University against unfair or unethical trade practices and unrealistic or exorbitant price increases;
8. Expedite, if requested and warranted, the delivery of goods and services;
9. Assist in the transfer, trade, or sale of surplus property;
10. Maintain the Master Bidders and Commodities lists and the Vendor Code File.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.6
Subject: General Purchasing Policies	

1. Purchases shall be made on the basis of competitive prices, obtained by public bid whenever practicable. If the purchase is bid, the award will be made to the responsive and responsible bidder who, in the opinion of the Assistant Vice Chancellor for Contracts and Compliance, in conjunction with the requesting department, offers the best bid, based on price, conformance to specifications, and delivery.

2. Specifications shall be established by the using department and/or the Purchasing Department. Specifications will not be altered without prior consultation with the using department.

Specifications may be one of six basic types:

- a. Brand name or equal;
- b. Design or detailed specifications (used when blueprints or specific details are available);
- c. Professional Service Contracts (See Contracting for Services, page 3.5);
- d. Performance specifications; e.g., repair work, construction, maintenance, etc;
- e. Specifications as per an existing sample; e.g., printing jobs;
- f. Special Purpose Specifications:

Requests for Information (RFI);
Sale of Surplus Property;
Concessions Rights (Award to highest bidder); and
Term Contract for a Commodity Line.

3. Used or refurbished equipment may be purchased, in accordance with established purchasing policies, if in good condition and justified in writing to the Purchasing Department. Whenever possible, such equipment will carry a full manufacturer's warranty.

4. Departments are encouraged to suggest the names of prospective vendors to the Procurement Department for their purchasing requirements, but the final selection of vendors shall remain the responsibility of the Procurement Department. Departments are required to obtain appropriate documentation for any new vendor to be added to the Campus Vendor File.

a) Requests for bids should not be solicited from prospective suppliers unless the requester is willing to place an order with that supplier should that supplier be responsive, responsible, and the lowest bidder meeting specifications.

5. Whenever practicable, departments shall make use of State, University, Campus and MHEC Contracts.

www.wmhec.net Mass Higher Education Consortium
www.comm-pass.com Commonwealth of Mass State Contracts

6. No Department or individual is authorized to commit the University for materials or services except with the prior approval of the Purchasing Department. Purchases, agreements to purchase, or changes to

existing purchase agreements made by any department member without the prior approval of the Purchasing Department will not be honored by the University and will become the financial responsibility of the individual who incurred the commitment. (See Financial Commitment, page 1.9).

7. Personal purchases in the name of the University are not permitted. No delivery of any personal purchase shall be authorized to be made to any University office or building other than University-owned or controlled dwelling facilities. University letterheads are not to be used for personal correspondence.

8. Vendors shall not discriminate against any qualified employee or applicant for employment because of race, color, national origin, ancestry, age, sex, religion, physical or mental handicap, or sexual orientation.

Vendors shall comply with all applicable Federal and State statutes, rules and regulations prohibiting discrimination in employment including but not limited to: Title VII of the Civil Rights Act of 1964; the Age Discrimination in Employment Act of 1967; Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; and M.G.L. c151B.

9. Requirements for goods and/or services over \$5,000 shall be advertised on a public bid board. Procurements that total \$250,000 or more shall also be advertised in appropriate publications, at the discretion of the purchasing agent at the respective campus.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.7
Subject: Responsibilities for the Ordering/Requesting Department	

Individuals who are authorized by their dean or department head to originate requests for materials and services for public bid, are charged with the responsibility to:

1. Anticipate departmental requirements in order that a reasonable amount of lead time may be allowed for processing the request, or for public bidding, whichever applies. The Procurement Department will handle emergencies on a priority basis as outlined in the section entitled Emergency Purchasing Confirming Orders – Financial Commitment, Section.
2. Combine, whenever possible, relatively small request for similar types of material, in order that orders/bids may be issued for reasonable quantities.
3. Insure that information furnished on the purchase request is complete and accurate and conforms to campus purchasing and accounting policies, as may be appropriate.
4. Provide written quotations, justifications, and backup documentation, as may be requested by the Purchasing Department.
5. Promptly process Change Order/Requests, as may be appropriate, to the Purchasing Department to properly reflect any modifications to the Purchase Order. (Authorization must be received from the Purchasing Department prior to processing any Change Order/Request for purchases that were bid through Purchasing.)
6. Promptly note receipt of materials, as may be appropriate, in accordance with campus receiving policy.
7. Accommodate the payment of invoices, as may be appropriate, in accordance with campus accounting policy.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.8
Subject: Ethical Practices and Conduct of Employees	

State employees are governed by the Commonwealth's Conduct of Public Officials and Employees statute ("Conflict of Interest law"), Massachusetts General Laws, Chapter 268A. This statute is lengthy and complex. It is interpreted and actively enforced by the State Ethics Commission. Copies of a brochure that generally discusses the law and restrictions placed on state employees may be obtained from the State Ethics Commission, Public Education Office, Room 619, at (617) 727-0060. You may request an advisory opinion from the Ethics Commission by writing to the State Ethics Commission, One Ashburton Place, Boston, MA 02108.

1. The University's vendors, and their products, personnel, and services, are, in a sense, a natural extension of the University's own resources. It is the responsibility of all employees to work to maintain the good name of the University, to develop and maintain good relations between the University and its vendors, and to keep in mind that personal contacts form much of the basis for the opinion of the University by its vendors.
2. University employees shall refrain from accepting gifts or gratuities from vendors. Reference is directed to the Conduct of Public Officials and Employees law, Chapter 268A, Section 3, of the General Laws, which states in part: "Whoever...directly or indirectly, asks demands, exacts, solicits, seeks, accepts, receives or agrees to receive anything of substantial value for himself for or because of any official act or acts within his official responsibility performed or to be performed by him...shall be punished by a fine of not more than three thousand dollars or by imprisonment for not more than two years, or both."

In this respect, employees who are responsible for making purchasing decisions, or who are in a position to influence purchasing decisions, shall refrain from accepting any gratuity or benefit from any vendor, for they may be construed to influence such purchasing decisions.

3. Nepotism: Nepotism is contrary to both the Conflict of Interest law and Trustee policy. The Trustees have voted, in part:
 - a. No officer or employee of the University shall participate directly in any decision or recommendation relating to appointment, promotion, retention, tenure, or other condition of employment at the University of any parent, child, spouse, sibling, parent-in-law, sibling-in-law, child -in-law, or stepchild of such officer or employee, except as the Chancellor has specifically approved as being within the best interest of the University.
 - b. In cases where a person within one of the categories of relationship to an officer or employee (as described in "a," above) is proposed for appointment, retention, or promotion to a position which would normally be under the supervision of such officer or employee, such person may be appointed to, retained in, or promoted to such position, and may be supervised by such an officer or employee, only if documentation is provided that demonstrates that such person is especially qualified to perform the services required and that the services are of great value to the interest of the University. Such decisions shall be made by the Chancellor or by his designee. The documentation required shall accompany the personnel files of the related persons. Questions concerning such conflict issues related to nepotism should be directed to the Human Resource department.

4. Employees shall not do business in the name of the University with companies in which they, or an immediate family member, hold a financial interest, unless disclosure of the facts of the matter and the employee's financial interest are first made to, and approved in writing by, the employee's Chancellor (M.G.L. Chapter 268A, Sections 6 and 6A.)
5. A state employee may not have a financial interest, directly or indirectly, in a contract made by a state agency in which the Commonwealth or a state agency is an interested party (M.G.L. Chapter 268A, Section 7). This restriction is subject to certain qualifications. The employee should contact University legal counsel or the State Ethics Commission to discuss the employee's particular situation, before the fact.
6. The University subscribes to the Code of Ethics of the National Association of Educational Buyers, as follows:

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.8.1
Subject: National Association of Educational Procurement Code of Ethics	

1. Give first consideration to the objectives and policies of my institution.
2. Strive to obtain the maximum value for each dollar of expenditure.
3. Decline personal gifts or gratuities.
4. Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
5. Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
6. Demand honest in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
7. Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
8. Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to submit any major controversies to arbitration other third party review, insofar as the established policies of my institution permit.
9. Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
10. Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
11. Foster fair, ethical and legal trade practices.
12. Counsel and cooperate with NAEB members and promote a spirit of unity and a keen interest in professional growth amount them.

July 1, 1985
Reviewed 1992

NATIONAL ASSOCIATION OF EDUCATIONAL PROCUREMENT, INC.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.9
Subject: Financial Commitment	

1. In accordance with State, Federal, and University Board of Trustees policies, no person is authorized to obligate the University without encumbering, in advance, sufficient funds to meet the obligation, provided, furthermore, the purchase constitutes a proper expenditure and conforms to University Board of Trustees Procurement Policy. Therefore, all purchasing documents must be approved, in advance, for availability of funds before committing the University for the expenditure of any funds (appropriated or non-appropriated).
2. In this connection, no "Confirming" purchase shall be made for any amount that has not received the prior approval of the Purchasing Department. When an emergency occurs that requires the placement of a Confirming Order the Emergency Procedures set forth on Section 2.16 shall apply.
3. Any University employee who makes commitments and/or expenditures by bypassing the normal purchasing channels, whether it be verbal, fax or telephone purchase order, an authorization to a vendor to increase the amount of any already-issued purchase order, or any other such commitments, does so at no obligation to the University. Commitments made in this manner will be the personal obligation of the employee(s) making them.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.10
Subject: Signatory Policy – Purchasing Documents	

Following are the minimum requirements that must be met to authorize the expenditure of funds on purchasing/accounting documents.

1. The Account Administrator (Responsible Person/Principal Investigator/Individual Exercising Budgetary Control), or his/her authorized designee, shall approve all purchasing and accounting documents.
2. When it is necessary for the Account Administrator to delegate signature authority, the following procedure will be utilized:
 - a) A memorandum of authorization from the Account Administrator, which reflects the account number(s), and the name and signature of the individual to whom signatory authority is delegated, shall be submitted to the campus Comptroller's Office. If delegation is temporary, the memo shall reflect the dates such authorization will remain in effect.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.11
Subject: Approvals, Additional, Required for Purchases	

Following is a list of purchases that require an additional approval or step beyond those normally required of the ordering/requesting department and Purchasing.

Procurement Type Approving Authority/Step Alterations to Building: e.g., Electrical, Plumbing, Structural
Special Assistant for Economic Development
Computer Networks Chief Information Officer
Conflict of Interest Campus Legal Counsel
Human Resources
Contracts for Services, See CFS Policy
Educational Alcohol, Government Tax-Free
Purchasing Department
Employment Ads, Classified Dean/Director
Chancellor/Provost
Affirmative Action
Human Resources
Purchasing Gifts (Univ. Related) Executive Director of University Advancement
Hazardous Chemicals Env. Health & Safety
Insurance Treasurer's Office
Leases Chancellor
Radioactive/Radiation Producing
Materials/Equipment
Radiation Safety Office
Surplus Property, Disposal of Property Office

University of Massachusetts Boston	
Date: December 1, 2006	Section: 1.12
Subject: Account Class/Object Class	

The Account class and Object class used by the University are adapted from those established by the Commonwealth, which are mandated for use by all State Agencies.

1. The University's budget is allocated among 14, two-character, alpha account class, which define very general types of payments/procurements; e.g., AA – Salaries, EE – Administrative Expenses, FF- Facility Operational Expenses, etc.
2. Under the University's FRS system, each general account class contains numerous four-digit object class, which more closely define the various types of payments/procurements within the account class; e.g., Under Sub. EE- Administrative Expenses – one will find: Object class _____, Office and Administrative Supplies; _____, Postage; 1408, Telephone Service, etc.
3. All purchase documents for encumbrance must bear an object class, which shall be selected by the department from the listing of object class as contained in the campus Accounting Manual. The object class assigned by the department shall be the one that most closely defines the type of procurement to be affected. Object class assigned to purchase documents are subject to review and correction by the Purchasing Department.
4. Object class should be selected based on the type of procurement to be affected, not on the end result of the procurement. For example, photocopying should be charged to the object class for photocopying 1933, and not to teaching supplies and materials 1516 because the photocopies will be used in the classroom.
5. Departments may not charge procurements to account class for which they have received no allocation. The department shall first affect the necessary paperwork through the campus Budget Office.
6. Questions concerning object class may be directed to the Purchasing Department.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.1
Subject: Purchase Requisitions for all Purchases	

Following are the instructions for completing the purchase requisition form.

1. All purchases must be processed through campus Purchasing Department on purchase requisition form.
2. Reasonable care should also be exercised to include on each requisition only such items as can be furnished by the same type of supplier (e.g., do not mix hardware with lab supplies).
3. Each requisition must contain a complete description of the material desired and the name and address of suggested source of supply. If the material desired is available from a "single source" vendor, a sole source documentation form containing an explanation of why it is the only acceptable source must accompany the requisition together with a written quotation if amount exceeds \$5,000. (See Dollar Limits, Section 2.4)
4. If the product description will not fit easily in the description space of the requisition form, the information should be typed on a continuation sheet.
5. The prices, properly extended and totaled, and the approval of the Department Chairperson, director, or person exercising budgetary control must also appear on the requisition.
6. Each requisition should also designate the date that the material is required. Every effort will be made to obtain delivery by the required date. Do not use terms such as "Rush" or "ASAP".
7. Each requisition should be prepared and the original should be submitted to the Purchasing Department; the requisitioning department should retain a copy for its files. The department must state when (date) the prices were quoted and to whom they corresponded with (name of person contacted). This information must appear in the description column of the requisition or a quote should accompany the requisition.
8. The requisition is pre-numbered and all inquiries concerning the requisition should reference that number.
9. A copy of each purchase order issued by the Purchasing Department against a requisition will be forwarded to the requisitioning department.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.1.1
Subject: Purchase Order	

Purchase Orders

All orders for goods and services must be covered by a University Purchase Order. The University accepts no liability for the payment of bills unless covered by a properly signed order. All pertinent information is keyed online and electronically approved by purchasing staff utilizing the University's central financial system.

Funds are encumbered automatically against the specific accounts indicated when the purchase order is processed. When funds are encumbered, it establishes the fact that a specific amount of money has been committed against a specific budget account. A commitment to pay that amount from that account has been made and entered on the University's books.

It is very important that deliveries be reported and received into the system promptly. The credit rating of the University depends on prompt payment of obligations. Each purchase order indicates where vendor invoices must be sent.

University Credit Card: ProCard

The University's ProCard program is a single, easy-to-use mechanism for paying common, low-cost expenses. ProCards are issued directly to employees who are responsible for making small dollar departmental purchases. The card facilitates quick purchasing with less paper work than the requisition/purchase order procedures. The card may be used only for official University business and only in accordance with University policies and procedures.

Prompt Payments

To ensure a quick and accurate payment, businesses should follow the guidelines below. Please note that no business can be transacted without first obtaining a valid purchase order number or Procurement Credit Card number from the purchaser.

Shipping and Receiving

- Any goods received must contain a packing slip that clearly identifies those goods, including back-ordered items.
- Packing slips must contain the University purchase order number or indicate "Procard" and the user name.
- Please include an "attention" line on packing slip indicating who to direct the shipment to, as well as the room number and building.

Invoicing

- Invoices must reference the University purchase order number and BE SENT TO THE ADDRESS INDICATED ON THE PURCHASE ORDER. Credit card invoices should be directed to the name on the credit card, INCLUDING the room number and building used in the "ship to" address.

- Invoices must contain line item detail of the items purchased and the unit cost of each item.
- For time-based orders (leases, service/maintenance contracts, etc.), you must secure a new or amended purchase order number to cover invoices beyond the end date.
- When calling to inquire about payments, please have your University purchase order and your invoice number ready.
- Check and confirm that your "remit to" address is correct.
- Only ONE PURCHASE ORDER NUMBER PER INVOICE.

Price Quotes

- Prices quoted for one department must apply to all departments.
- Your quote MUST state the percent off list price and be in terms of UNIT price.
- Discounts must be taken off EACH LINE ITEM QUOTED, rather than off the bottom line.

Quotes must be submitted in the same manner as your invoice.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.2
Subject: Competitive Bid Procurement (Competitive Bidding Contracts) Policies and Procedures	

Use of Purchasing Contracts

www.wmhec.net Mass Higher Education Consortium
www.comm-pass.com Commonwealth of Mass State Contracts

Non-competitive purchases, without benefit of public bids or a recognized contract, must be \$5000 or less in value. The University recognizes four types of contracts, competitively bid, which enable departments to order materials in excess of the \$5,000 limit without further bidding:

1. Massachusetts Higher Education Consortium Contracts (MHEC), a purchasing consortium created for, and used by, most institutions of higher education in Massachusetts;
2. Campus Contracts, created by a UMass campus procurement department;
3. (State Contracts, created by the Commonwealth of Massachusetts for use by all agencies of the Commonwealth; and
4. University Contracts, created by the UMass Purchasing Council for use by the UMass campuses.

These contracts leverage the University's combined buying power. In exchange, the contract participants offer special pricing based on the vendor's anticipation of business to be realized during the contract term.

Departments are encouraged to use contracts, regardless of the dollar amount to realize savings, to support the intent of the contract, and to meet Board of Trustee requirements. Note that a University purchasing contract should always take precedence over any similar contract that might be offered by any other contracting entity.

Competitive Bidding

Competitive Bidding is administered by each campus purchasing department or by the University Purchasing Council (for system-wide contracts). Requests for Bids are usually issued for:

- Equipment/Goods (exceeding \$5000);
- Labor and Material Construction Services exceeding \$10,000;
- Operational Services exceeding \$25,000; and
- Consulting Services exceeding \$50,000.

Within these dollar thresholds, each campus purchasing director makes a determination of the need and method of competitive bidding.

University Trustee Policies strongly encourage public announcement of University Requests for Bids and the inclusion of minority and women owned business. University Requests for Bids may be announced in newspapers, posted on campus websites, and/or vendors may request to be placed on University Bid lists. The University reserves the right to advertise public bid requests or not, based upon the best interest of the University and the campuses.

Following is the policy and the procedures that shall be followed, in those instances when competitive bids, whether they be public or otherwise, are required. A competitive procurement is one in which the specified product/service, or an equivalent, alternate type of product/service, is available from more than one source of supply.

Departments are also referred to the section that covers the specific type of purchase to be effected for dollar limits, information, and instructions for those types of procurement; e.g., Contracting for Services, Section 3.5; Sole Source, Sole Acceptable Source/Brand, Section 2.3; Equipment and Software Maintenance, Including Software Licenses, Section 3.16; Rental/Lease/Lease-Purchase of Equipment, and the Rental and Lease of Space, Section 3.15; and Contracting for Labor and Materials Construction/Renovations), Section 3.4.

See Dollar Limits for Most Types of Procurements, Section 2.4.

1. Departments may issue a purchase requisition up to \$5,000 without benefit of competitive bids. State, University or MHEC Contract should be utilized, if available for the desire product/service.

www.wmhec.net Mass Higher Education Consortium
www.comm-pass.com Commonwealth of Mass State Contracts

2. Any purchase requisition for a competitive product in excess of \$5,000, which is not covered by a State, University or MHEC Contract, shall be competitively bid.

3. Following are the procedures for processing Competitive Bid Procurements.

- a) Requesting departments will prepare a Purchase Requisition and may furnish the names and addresses of as many suggested sources of supply as they wish, with a minimum of three; however, the final selection of prospective bidders shall be left to the discretion of the Purchasing Department.
- b) The description of a request for materials shall contain, at a minimum, the manufacturer's name and model number of the desired product, together with a brief description of the item, and an estimated unit and total price for each line item.

Keep in mind that Purchasing must know what the item is in order to determine possible sources of supply. The more complex the product, the more detail that is required.

- c) Purchasing will check the requisition to determine that it is complete and that the object class is accurate. Purchasing may add suggested sources of supply at its discretion. Purchasing will not significantly alter a purchase request without conferring with the requesting department.
- d) Purchasing will prepare the necessary bid forms, which will duplicate the information provided by the requesting department, minus the estimated prices, and mail them to the potential bidder(s).
- e) Purchasing will maintain a list of all purchase requisitions that are out to bid on a public bid board, which may be reviewed by vendors that call on the Purchasing Department. No eligible vendor may be denied the right to bid on an open purchase request that is so advertised. "Open" requests are those that have not yet been opened and read by the Purchasing Department.
- f) Bids will be publicly opened and read in the Purchasing Department by 11 a.m. on the bid opening date as specified on the bid form. Anyone may attend the bid opening. It is the vendor's responsibility to insure that the bid is received in the Purchasing Department by the due date and time. Bids that are received in Purchasing after the due date and time cannot, and will not, be considered.

- g) Prices will be checked for mathematical accuracy, and the bid will be awarded to the lowest eligible and responsible bidder meeting specifications. If the bidder elects to add shipping charges to his/her bid, those charges must be considered when determining low bid.
 - h) Once the bids have been opened, no modification or alteration may be made by anyone.
- (1) Any bidder who wishes to alter his/her bid may request to withdraw his/her bid from consideration.
 - (2) If the departmental requester wishes to alter the bid specifications once the bids have been opened, a rebid will be necessary.
 - (3) If the departmental requester wishes to alter the bid specifications prior to the opening of the bid, the Purchasing Department must be notified immediately, and a determination will be made by Purchasing as to whether an addendum, cancellation or a rebid, is appropriate.
 - i) All bid(s) are referred to the requesting department for review and recommendation. The requesting department shall promptly review the bid(s), and compare the specifications of any lower priced alternates that might be offered to the original bid specifications. While the bidder should have included with his/her bid, descriptive literature on any alternate product that was offered, the requester may have to contact the bidder(s) of the alternate product(s) to obtain this information. The original bid(s) may not be marked (written on) in any way.
 - j) If the requester finds that the specifications of any lower priced alternate product(s) are not essentially equal to the product(s) specified, the requester would do a written side-by-side comparison of the specifications to justify rejecting the lower priced product(s).
 - k) The requester may recommend that the award be made to the lowest, acceptable overall bidder, or, the requester may recommend that the award be split among the respective acceptable low bidders, provided a minimum savings of \$100 per award will result.
 - l) A bid analysis sheet, listing all the respective bidders, with a side-by side comparison of the materials and prices, shall accompany recommendations for split awards.
 - m) The requesting department will submit the written recommendation to the Purchasing Department for the review/approval and the subsequent preparation and issuance of the Purchase Order(s).
 - n) Recommendations for award must be signed by the requesting department. If the recommendation will result in an increase to the estimated dollar amount specified on the purchase requisition, or a change that would affect the funding of the procurement in any way, the recommendation must be co-signed by the individual who has signatory authority for the account charge (Account Administrator), if different from the requester.
 - o) After awarding, modifications to any Purchase Order that has been bid, regardless of dollar amount, must first be discussed with the Purchasing Department.
4. Bonds: The Purchasing Department reserves the right to include in the bid specifications the requirement that the successful bidder furnish the University with a Performance Bond, if deemed appropriate.
 5. See the chart, Dollar Limits for Most Types of Procurements, Synopsis of, Section 2.4. Note that any type of procurement that is not specifically referenced in this manual shall be governed by the dollar limits assigned to Material Purchases, as indicated in that chart.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.3
Subject: Sole Source, Sole Acceptable Source/Brand for Commodities Purchases	

Departments are also referred to the sections on Contracting for Services; Section 3.5; Equipment and Software Maintenance including Licenses, Software, Section 3.16; Equipment, Rental/Lease/Lease-Purchase of, and the Rental and Lease of Space, Section 3.15; and Contracting for Labor and Materials, Section 3.4, for complete information and instructions for those types of procurements.

Note that the section on Contracting for Services, Section 3.5, has a different set of processing parameters for sole source, sole acceptable source/brand, which takes precedence over the following:

1. **SOLE SOURCE:** A "Sole source" purchase means that the product/service is unique and that the vendor, to the best of the requester's knowledge and belief, based upon thorough research, is the only one in the world from whom the product/service can be obtained.

- a) Sole source Purchase Orders/Requests that exceed \$5,000 shall be accompanied by a current, original written quotation from the vendor and a justification and/or an explanation from the requester written on the Documentation Form for Sole Source, Sole Acceptable Source/Brand. Such justifications shall be written and signed by the end user/requester (the individual who claims the purchase is sole source/brand). The form shall be countersigned by the Account Administrator, if other than the requester.

All such sole source justifications/quotations are subject to the review of the Comptroller, or his/her designee, who may request additional documentation/justification from the requester, and approve or disapprove the request.

- b) Justifications for Sole Source shall include the following: (1) a statement to the effect that the requester has thoroughly researched the purchase, and to the best of the requester's knowledge and belief, based upon thorough research, the vendor for the product/service is the only one in the world from whom the product/service can be purchased; (2) a detailed explanation of what the product/service is, its purpose, and what it is about the product/service that makes it unique. As a general rule, the greater the value of the product/service, the more detail that is required to justify sole source.
- c) Sole source justifications should be written in lay terminology, as much as possible, so that they can be understood by those individuals who will review them. However, if unique technical features or accuracy are the basis for sole source, the justification must so include.

2. **SOLE ACCEPTABLE SOURCE/BRAND:** A "Sole Acceptable Source/Brand" purchase means that similar types of products/services may exist, but that the vendor/brand, for reasons of expertise, and/or standardization, quality, compatibility with existing equipment, specifications, or availability, is the only source/brand that is acceptable to the requester or the University.

- a) Sole brand may be available from more than one source of supply and, if so, shall be competitively bid to those sources in accordance with the University's purchasing policy established for the particular type of procurement. (See the section on Policies and Procedures for Competitive Bid Procurements, Section 2.2) Justification for Sole Brand shall be written on the Documentation Form for Sole Source, Sole Acceptable Source/Brand.

- b) Such a Purchase Order/Request in excess of \$5,000 shall be justified, in detail and in writing, to the Comptroller, or his/her designee, who may request additional documentation/justification from the requester, and approve or disapprove the request.
- c) The justification/explanation shall be written on the Documentation Form for Sole Source, Sole Acceptable Source/Brand, and shall be accompanied by a requisition and an original written quotation from the vendor. Such justifications shall be written and signed by the end user/requester (the individual who claims the purchase is sole acceptable source/ brand). The form shall be countersigned by the Account Administrator, if other than the requester.
- d) Justifications for Sole Acceptable Source/Brand shall include the following: (1) a statement to the effect that the requester has thoroughly researched the purchase and that the vendor/brand is the only acceptable vendor/brand to fit the particular need; (2) a detailed explanation of the particular need; (3) a list of the other vendors/brands considered; (4) why the vendor/brand was selected over other vendors/ brands, including a detailed comparison of features, if applicable; (5) what the requester has done by way of cost comparison to determine that the charge is not out of line with the current market pricing for the product/service.

3. "Best price" alone cannot be used as a basis for sole source; e.g., "We checked around, and this is the best price." If the product/service is available from more than one source of supply, "best price" must be determined as outlined in the section entitled, Competitive Bid Procurements, Policies and Procedures for, Section 2.2.

4. QUOTES: All quotations shall be current, (less than 30 days) and shall be legible. Such quotations shall appear on the vendor's letterhead, and shall not be marked (written on) by anyone other than the vendor. If other terms and conditions are referenced on the face of the quote, they must be included. Original faxed quotes are acceptable, provided they have been signed by the vendor, and/or appear on the vendor's letterhead.

University of Massachusetts Boston

Date: December 1, 2006

Section: 2.4

Subject: Synopsis of Dollar Limits for Most Types of Procurements

No	Type of Procurement	Department send purchase requisition to Purchasing	Department prepares purchase requisition competitively bids through Purchasing (Unless Sole Source. See last column of Contract)	Contract Agreement Required	Department prepares Sole Source/ Sole/Acceptable Source/Brand Form. Submit to Purchasing with written quote and purchase requisition
	Materials Purchases				
1	Under \$1,000 – use Procard if not on the hosted site				
2	\$1,000 - \$5,000				
3	Over \$5,000				
	Contract for Professional Services				
1	Under \$5,000				
2	\$5,000 - \$10,000				
3	\$10,000 - \$50,000				
4	Over \$50,000				
	Contract for Operational Services				
1	Under \$5,000				
2	\$5,000 - \$10,000				
3	\$10,000 - \$25,000				
	Equipment/Software Maintenance Contracts				
1	Under \$5,000				
2	Over \$5,000				
	Equipment Rental/ Lease/Lease Purchase				
1	Under \$5,000				
2	Over \$5,000				

For complete and accurate details, see the respective section of the Purchasing Manual that deals with the type of procurement that you wish to effect; e.g. Sole Source; State and MHEC Contract; Competitive Bids; Contract for Services; Equipment Maintenance, Labor & Materials etc.

Note: If covered by State, University and MHEC Contracts – No dollar limit. (Use Judgment, bid large quantities through Purchasing, if appropriate.)

University of Massachusetts Boston

Date: December 1, 2006

Section: 2.4.1

Subject: Purchase Requisition Flow – Purchase of Materials and Equipment Only*

A	B	C
\$1 - \$5,000 - Non Contract \$1 - Unlimited - Contract	Over \$5,000 Non-Contract – Competitive purchase requisition Advertisers & Obtains Public Bids. If contract follow Column A	Over \$5,000 Sole Source/Sole Acceptable Source/Brand If Contract – Follow Column A
Dept. researches purchase & maintains backup documentation, as may be appropriate. Dept. states where prices were obtained and when. Delivery terms must be stated.	Purchase requisition prepared by Dept. & attachments affixed submitted, as appropriate. Department furnishes name and address of one or more suggested source of supply and Account Administrator signs purchase requisition.	Dept. researches purchase & determines only available from one source of supply.
If material is available on MHEC, Univ. or State Contract, Dept. must state the contract used on the requisition. Department states where and when Prices were obtained. Delivery terms must be stated.	Requisition to Purchasing with attachments, if applicable. Purchasing checks purchaser requisition in insure that purchase meets policy & that purchase requisition is complete.	Department obtains written quote from vendor
Purchase requisition is electronically prepared by Dept. and signed by Account Administrator	Procurement adds vendors and creates bid.	Documentation from the Sole Source/Sole Acceptable Source/Brand Completed by Department & Signed by Requestor and Account Administrator
Purchase Requisition to Purchasing	A bid opening date is established. Bid is mailed to suggest vendors & posted on a public record board and the website.	
Purchasing verifies that purchase meets policy; check to insure requisition is complete		
Purchasing issues purchase order. Purchase order is mailed to vendor by Purchasing.	Purchasing opens & publicly reads bids on bid opening date.	Purchase requisition prepared by Department and Signed by Account Administrator
	Purchasing reviews bids and refers bids out to Dept. for review & recommendation. Dept. submits recommendation to Purchasing.	Purchase requisition quote & documentation form to Purchasing
	Purchasing reviews recommendation & if all is in order, issues a PO	Form & Quote is sent to Accounting for Review. If all is in order the CCAM? signs Sole Source Form
	Purchasing approves and mails PO to vendor	Purchasing creates Purchase Order/maintains file & mails PO to the Vendor.

*For complete and accurate details, see the respective section of the Purchasing Manual that deals with the type of procurement that you wish to effect; e.g., Sole Source; State, University and MHEC Contract; Competitive Bids, etc. the flow is the same for most types of procurement; however, the dollar limits may vary; i.e., Contracts for Services, Equipment Maintenance, Equipment Rentals. (See Dollar Limits for Most Types of Procurements, Synopsis of, section 2.4)

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.5
Subject: Equipment Purchases	

1. For Procurement purposes, the Boston Campus defines "Equipment" (account class KK, NN, UU) as any item that meets all of the following criteria:

- a. Is an entity unto itself (stands alone – must be externally visible): e.g., computer, printer, external modem, microscope, filing cabinet, etc;
- b. Has a unit net price of \$1000 or more (after any discount that may be taken); and
- c. Has a life expectancy of two years or more.

2. The item may or may not bear a manufacturer's serial number.

3. Supply or accessory items may be included on a purchase requisition with the piece of equipment (account class KK) when they are an integral part of that equipment; e.g., cabling for a computer, glare screens, software, internal drives, etc. However, if a separate Purchase Order is issued for those types of items only, the cost should be charged to the appropriate account class/object class for the item purchased (account class EE, FF or UU).

4. Computer boards generally go inside the computer itself and do not "stand alone". Therefore, a board purchased alone without the computer would ordinarily be considered an enhancement or a replacement part (account class UU). However, if the net price of the board is \$1,000 or more, an/or bears the manufacturer's serial number, it may go in as Computer Equipment account code 763100.

5. Any equipment item with a net price of \$1,000 or greater shall be charged to the equipment object class that most appropriately fits the description of the item to be purchased.

6. To properly identify these items within the inventory system, it is important that the item description contain the following: the noun describing the item (e.g., "Table"), the manufacturer's name and catalog or model number (e.g., "Steelcase Model 3225"), and whatever description remains (e.g., "30" W x 60"L plastic laminate oak top, stainless steel legs"), followed by the cost of the item.

7. Any item that meets the definition of "Equipment" as contained herein shall be charged to an "Equipment" object class, regardless of the source of funds.

8. Any item that meets the definition of "Equipment" as contained herein may not be charged to a blanket order.

9. Upon completion of the construction of the piece of equipment, the department shall report the new equipment item to the Property Office to be recorded in the Fixed Assets Systems.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.6
Subject: Equipment, Disposition/Disposal	

1. All equipment items serviceable, repairable or unusable that become excess to a department's needs shall be reported to the Property Office for redistribution or disposal. Items so reported may be: (1) reissued to another department on campus, (2) used as a trade-in to offset the acquisition cost of a purchase of like equipment, (3) transferred to another state agency, or (4) declared surplus through State Surplus Property as items no longer capable of serving the purpose for which they were obtained.

2. Please see the University of Massachusetts Boston Property Office Web Site at www.uml.edu/Dept/property for complete information and downloadable forms.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.7
Subject: Alterations to Buildings	

Requirements for the installation of any equipment in, or renovation to, any building that will involve utility connections and/or building alterations shall be processed as follows, (object class NN)

Installation of Equipment:

Departments that wish to purchase equipment that involves utility connections and/or building alterations; e.g., scientific equipment, washing machines, large computer installations, air conditioner installations, water coolers that require plumbing connections, etc., shall contact the campus Facilities Department prior to processing their purchase request to Purchasing. The Facilities Department must determine whether present building utilities are adequate to carry the load and if the structure of the building is sufficient to house the equipment.

Alterations to Buildings:

Physical alterations and/or renovations to any University building that involve the utilization of trade labor and materials not only must deal with unique statutory requirement, but also must be concerned with building and safety codes. Whenever a University department intends to alter the existing electrical wiring or plumbing, perform carpentry, install carpeting or flooring, or the like, the requirements must be processed through the Facilities Department, regardless of the amount of money involved or the source of funds. In many cases, the Facilities Department will already have contracts in place that serve to expedite the completion of small jobs.

Requests for such equipment and/or building alterations should be sent directly to the Facilities Department.

Small Construction Projects less than \$10,000

Tradespersons- Repair and Maintenance FAC29; Maximum End Date: 12-15-12: The contract period is from 12/15/2002 to 12/15/2006 with options to renew until 12/15/2012.

The state contract covers all types of trades, repair services, repair, repairs, maintenance, plumbers, electricians, carpenters, general contractors, contractors, painters, door services, sign services, welders. You must seek three (3) quotes even when using the state contract.

This contract is for repair and maintenance services only and does not cover installation of new systems (such as alarm systems, etc.).

This contract **may not** be used for any job with a value of \$10,000 or higher. Currently, all work done under this contract falls under the Construction Laws of July 2004. To comply with these laws, contract users must seek three written quotes for any work to be performed. The job must be given to the lowest, responsible bidder. If there are not three contractors on this contract who perform the services needed, contract users must conduct their own competitive procurement, ensuring the requirements of the applicable laws and regulations are met.

Currently the law is: **SECTION 11.** Section 44A of chapter 149 of the General Laws, (2)(A) *Every contract for the construction, reconstruction, installation, demolition, maintenance or repair of any building by a public agency estimated to cost less than \$10,000 shall be awarded to the responsible person offering to perform*

the contract at the lowest price quotation; provided, however, that the public agency shall seek written price quotations from no fewer than 3 persons customarily providing the work for which the contract is being made available. When seeking written quotations the public agency shall make and keep a record of the names and addresses of all persons from whom price quotations were sought, the names of the persons submitting price quotations and the date and amount of each price quotation.

Contractors will supply all labor, equipment, parts and supplies necessary to perform the needed services. Contractors are responsible for securing any and all necessary permits for the work to be performed.

Contractors must respond to contract users by phone within 24 hours of receipt of a call. Contractors are expected to schedule a site visit within 48 hours of the phone call. Quotes must be provided at no cost.

Contractors must adhere to all applicable Prevailing Wage laws and are required to submit Weekly Payroll Reports to the contract user.

Less than \$5,000

Every contract for the construction, reconstruction, installation, demolition, maintenance or repair of any building by the University estimated to cost less than \$5,000 shall be awarded to the responsible person offering to perform the contract at the lowest price quotation; provided, however, that the University shall seek written price quotations from no fewer than 3 persons customarily providing the work for which the contract is being made available. When seeking written quotations the University shall record the names and addresses of all persons from whom price quotations were sought, the names of the persons submitting price quotations and the date and amount of each price quotation."

Prevailing Wage Rates are posted at the work site in accordance with M.G.L. ch.149, sec. 27. If vendors you are seeking quotes from are on state contract then the prevailing wage rates and the apprentice rates are attached to the state contract. The prevailing wages for Boston are listed in district four. If you are soliciting written quotation from vendors not covered under state contract then the prevailing wage rates for isolated repair not associated with larger projects are used. (Issue Date: 3-21-06 valid one year from issue date)

These files are kept in the Facilities Department. A Labor and Material contract is not required for construction, reconstruction, installation, demolition, maintenance or repair under \$5,000. A certificate of insurance and an approved purchase order must be on file before the work begins.

If the award is given to a State Contract vendor then no contract will be required under \$10,000. If an award is given to a non- state contract vendor then a labor and material contract will have to be drawn up when the order is greater than \$5,000 < \$10,000. Purchasing will be responsible for drawing up the labor and material contract for quotes greater than \$5,000 > \$10,000. **When** the quote is greater than \$5,000>\$10,000 a 50% payment bond is required. We must state on the quote before it is sent out that a 50% payment bond will be required by the awarding vendor and that all premiums for the payment bond shall be paid by the general contractor.

Greater than \$5,000 < \$10,000

The Procurement Department will be responsible for getting the quotes over \$5,000. We will fax the information out to the vendors selected by the Design and Construction Department. The vendors will be required to fax back their responses within three (3) working days. The Labor and Material Contract will then be drawn up awarding the contract to the low bidder unless it is a State Contract vendor. The Procurement Department will forward the contract out to the low bidder and require that the awarding contractor execute the contract and provide the 50% payment bond within ten (10) working days from receipt. These documents will all be email directly to the awarding contractor so we track the time according to the laws of Massachusetts. The following information must be provided to accomplish this task.

Labor and Material Contracts over \$5,000 no greater than \$10,000

- If the estimated building construction cost of a project is greater than \$5,000<\$10,000 a Payment Bond of 50% is required for all construction contracts under M.G.L. c.149 for construction, reconstruction, installation, demolition, maintenance, or repair of a building and also for procuring projects under M.G.L. c 30, s.39M applies to the construction, reconstruction, alteration, remodeling, or repair of any public work. When obtaining the three (3) quotes the Procurement Department will add the following statements:
 1. The awarding Contractor will be required to submit a payment bond of 50% of the total contract price. This cost is the sole responsibility of the Contractor which must be included in their quoted price.
 2. A certificate of insurance is required before any work can be performed on the University premises.
 3. The University person who is responsible for this contract and their phone number.
 4. How long the project will take after a purchase order is issued.
 5. Award the contract to the person offering the lowest written price quotation.

The prevailing wages and the insurance requirements will accompany the fax quote that is sent out by Purchasing along with the complete description of work and the time it will be awarded and when the contractor will be able to start and when we expect them to be completed.

Building Contracts Estimated to Cost between \$10, 000 and \$25,000

Building Contracts Estimated to Cost between \$25, 000 and \$100,000

Building Contracts Estimated to Cost More Than \$100,000

Contractor and subcontractor prequalification for building contracts estimated to cost \$10 million or more

Contracts Subject to M.G.L. c. 30, s. 39M applies to the construction, reconstruction, alteration, remodeling, or repair of any public work. Also governs the purchase of construction materials estimated to cost more than \$10,000.

Public Works \$10,000 but not more than \$25,000

Public Works over \$25,000 up to \$100,000

Public Works over \$100,000

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.8
Subject: Postage, How to Purchase	

1. Like many governmental agencies, the U.S. Post Office will not sell anything on credit. They must have the cash/check in hand first. Therefore, a disbursement voucher must be generated and a check issued to the U.S. Post Office before postage can be obtained (account class EE.)

2. Make a disbursement voucher out to the U.S. Post Office for the required items.

Address the payment voucher as follows:

*Postmaster of Boston, MA
C/O (the name of your department)
(The name of your building location)
University of Massachusetts Boston
Boston, MA 02125*

Submit the request to Accounts Payable to be processed.

3. The requesting department will be notified when the check is available to be picked up from the Controllers Office.

4. Postage should only be purchased outside the University when the University Mailroom cannot provide the desired service.

University of Massachusetts Boston

Date: December 1, 2006

Section: 2.11

Subject: Memberships

1. Only institutional memberships (memberships that are made in the name of the University) are authorized. Such memberships shall pertain to the function of the department from which issued (account class EE).
2. Memberships to dining, travel, or credit granting organizations may not be paid with any University funds.
3. Requisitions for memberships shall designate the names of the individuals who will represent the University in the membership.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.12
Subject: Purchase of Radioactive & Radiation Emitting Materials/Equipment	

1. Nuclear Regulatory Commission and Massachusetts Department of Public Health regulations require that all radioactive material and radiation producing equipment be purchased through the University Radiation Safety Committee. Therefore all requisitions must be signed and approved by the Radiation Safety Officer and/or the Radiation Safety Committee. In keeping with these regulations the following procedure should be followed:

a. Departments requiring radioactive material or radiation or x-ray emitting equipment should submit a purchase request directly to the Radiation Safety Officer on campus (Biology Department). Requests sent directly to the Purchasing Department will be forwarded to the Radiation Safety Officer for appropriate action and approval before the purchasing process is initiated. Some examples of radiation or X-ray emitting equipment include microwave ovens, high voltage power supplies, infrared and ultraviolet equipment, color television sets, ultrasonic equipment, diathermy machines, high powered radio and microwave transmitters, lasers, and x-ray equipment. If you are in doubt about any item that must be reported, please contact the Radiation Safety Officer.

b. The Radiation Safety Officer will approve the requisition and forward it to the Purchasing Department.

c. The Purchasing Department will perform the purchasing process, prepare the Purchase Order and send it to the vendor.

d. All radioactive material and radiation emitting equipment must be shipped to Central Receiving.

e. The use of the University Procard to purchase radioactive material or equipment is strictly prohibited and will result in the suspension of all Procard privileges.

2. Departments should anticipate their needs well in advance in order to allow for this lengthy purchasing process.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.13
Subject: Reimbursements – Employee and Non-Employee	

Following are the policies and procedures governing reimbursements to employees and non-employees:

Employee Reimbursements:

1. In accordance with University policy, reimbursements to faculty and staff against University funds, other than those for charges incurred for authorized business expenses as outlined in Trustee Doc. T92-031, may be made only under unusual circumstances. Request for reimbursement must contain a detailed explanation/justification for the reimbursement. A payment voucher and original receipts must be submitted before a faculty or staff can be reimbursed.
2. Reimbursements cannot be made, under any circumstances, for services against Subs. HH (Consultant Services), JJ (Operational Services), NN(Construction), or UU (Technology) or for Massachusetts sales tax, nor can they be made for travel or travel related expenses.
3. University employees shall not be paid for **services** rendered to their own, or to any other department. Such payments must be authorized by, and processed through, the campus Human Resources office, as may be appropriate.

Non-Employee Reimbursements:

1. Reimbursement for non-employee travel shall be processed with a purchase requisition submitted on line. Once a purchase order is issued then the Disbursement Voucher with the original receipts made out and is forwarded to the Controllers Office for payment.

Account code 734241

Non-Employee Expenses -Taxi service, travel, hotel/meals for candidates for positions (employee recruitment); for visiting speakers, lecturers in lieu of payment for services; etc. For reimbursements, appropriate receipts must accompany invoice. See the appropriate object class for non-employee travel expenses when payment for service is involved.

Use of this account code is for Consultants that participated in a conference on behalf of the University need to state clearly on the purchase order they then indeed provide a service to the University at no fee cost and are only asking for reimbursement expenses. These expenses should be paid under account code 734241. If there were a fee along with a reimbursement for travel, then account code 758980 would be used; you must see the appropriate object class for the correct account code. If an individual is paid a stipend to attend a conference on behalf of the University, then account code 769150 is applied, grant funds only are allowed to use this account code. All receipts must be original copies.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.15
Subject: Purchase of Controlled Substance, Including Hypodermic Syringes & Needles	

1. Pursuant to Massachusetts General Laws, Chapter 94C, Section 27, and Commonwealth of Massachusetts Regulation 105 CMR 700, a researcher and/or instructor who purchases one or more controlled substances as referenced in the law, including, but not necessarily limited to, hypodermic syringes/needles, for any purpose, from any vendor, must be licensed by the Commonwealth of Massachusetts, Department of Public Health. The cost of such a license is currently \$100/year for each researcher/instructor.

(Note that, under the law, hypodermic syringes and needles are a Class VI Controlled Substance. Note, too, that only state hospitals are exempt from paying the licensing fee).

2. Furthermore, each researcher/instructor who so purchases a controlled substance shall maintain a perpetual inventory, in a bound ledger (not loose leaf), consisting of the requisition and purchase order number, the name of the licensed researcher/instructor, the purchase order date, the quantity received, the quantity and date issued, and the intended purpose. Said ledger shall be maintained in the department office and shall be provided to state inspectors upon request.

3. Blanket orders shall not be used to order controlled substances. Only specific purchase orders are appropriate. Each such purchase order shall reference the researcher/instructor's registration number, as issued by the Commonwealth of Massachusetts, Department of Public Health.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 2.16
Subject: Emergency Procurement Confirming Order – Financial Commitment	

Following is the policy, and the procedures that shall be followed, for the emergency procurement of goods and services.

1. No financial commitment may be made to any vendor without a valid, purchase order number, approved by the Purchasing Department.
2. An emergency is any situation that requires the immediate placement of a purchase order, as determined by the Department Head, to avoid substantial harm to the functioning of the University of to protect public health, welfare, or safety.
3. In the case of extreme emergency, the requesting department will be required to call the Purchasing Department with the requisition number and email a letter of justification to the Purchasing Department, together with any other written documentation that may be necessary. The Purchasing Department will determine if the justification is sufficient to warrant an emergency order.
4. A request for an emergency order must meet the following criteria:
 - a) The circumstance surrounding the need for the order must have been unforeseen and must require the immediate acquisition of the specified commodity to avoid substantial harm to the functioning of the University, or to protect the public health, welfare or safety.
 - b) The purchase request must have the approval of the individual having signatory authority for the account charged.
 - c) There must be sufficient funds in the respective account to cover the commitment as reflected in the University's system.
5. If the justification meets the above criteria, Purchasing will then take immediate steps to issue a purchase order. The purchase order will then be given to the requesting department.
6. Emergency purchases cause expensive interruptions in the normal routine of the Purchasing Department. Since emergency purchases are usually a result of insufficient foresight, using departments are urged to use proper planning and scheduling to keep "rush" orders to a minimum.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.1
Subject: Vendor Contracts – General Policy	

The University recognizes 3 types of contracts which, generally speaking, enable departments to place purchase requisitions in excess of \$5000 without further bidding: (1) Massachusetts Higher Education Consortium Contracts (MHEC), (2) State Contracts: (3) Campus or University Contract. Use of the contracts is explained in the sections that follow bearing the respective heading.

Following are the general policies that apply to the use of these contracts:

1. Departments shall use contracts whenever practicable. Requests for materials that are covered by contract, that are issued to non-contract vendors, may be changed to a contractual vendor providing it is exactly what the department wants. The Purchasing Department will convert to the appropriate contract vendor, with the department's approval.
2. Sizeable orders may still merit the competitive bid process, which may produce better prices because of economies of scale. Departments are cautioned to exercise good judgment and common sense when making the decision whether or not to bid their requirements.
3. Purchase Orders/Requisitions that are issued against MHEC, State, Campus or University contracts should be so marked on the requisition.
4. Contracts are awarded based not only on price, but also on quality, service, shipping and warranty terms, and the reputation of the vendor. Departmental requesters may find the desired contract product/service from a non-contract vendor at a lower price; however, best price does not necessarily mean the best deal. For example, some mail order houses may offer a better price, but their policies for delivery, warranty, work, returns, exchanges, as well as product availability and customer service ultimately may prove to be more costly to the requester and the University. Vendors with whom the university has little or no working relationship do not have the same incentive to satisfy University customers, as do our contract vendors. So, buyers beware!

Web site: www.mhec.net Mass Higher Education Consortium
 www.comm-pass.com Commonwealth of Mass State Contracts

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.2
Subject: Massachusetts Higher Education Consortium (MHEC) Contracts	

MHEC Contracts are a valuable tool designed to facilitate the timely purchase of a wide variety of goods/services at the best cost to institutions of higher education located throughout the Commonwealth. MHEC Contracts are bid, established, and controlled by the MHEC.

www.mhec.net Mass Higher Education Consortium

1. There are approximately one hundred MHEC Contracts, totaling several thousand pages.
2. In order to prepare a requisition against an MHEC contract, refer to the appropriate MHEC Contract to ascertain all the variables that are needed i.e., the appropriate contract vendor, whether the item is covered by the contract, the contract terms, the contract structure, etc.
 - a. One of the things that needs to be established is the F.O.B. point. The F.O.B. point determines who will pay the freight and where title passes. If a vendor's terms are F.O.B. Destination, then that means the vendor will pay the freight and title to the goods will pass to the University upon acceptance at the University. This is no cost to the University. If the F.O.B. point is other than destination, then that means the University will pay the freight and that title will pass to the University at the F.O.B. point. The University's standard delivery terms are F.O.B. Destination. If the F.O.B. point is other than Destination, make sure that you so indicate on your purchase requisition. If freight is involved, ask the vendor to estimate cost for freight and include it on the requisition as a separate line item. The terms are stipulated on the contract.
 - b. Another variable that needs to be determined is how the contract is structured. If the Contract is based on a percentage of discount off the manufacturer's suggested list prices, (which is the way that many of the MHEC contracts are set up), then contact the vendor (contact people's names and telephone numbers are listed in each contract), ask for the current list prices, and verify the appropriate discount(s) for the item(s) you wish to order. Make sure that the discount matches the discount reflected in the contract. If they don't match, then the item may not be covered by the contract.
 - c. When the requisition is made out, the following should be reflected: the noun name, brand name and model number, a description of what is being ordered, the list price, the appropriate contract discount, and the net price for each item. This information is vital. It is the only way to determine that the University is getting contract pricing, and is an audit requirement.
3. Just because a vendor is on a contract does not mean that everything sold by that vendor is covered by that contract. If it is determined that what is needed is not part of the contract, and the request exceeds \$5000, then the item(s) should be bid in accordance with established purchasing policy.
4. Some MHEC contracts are based on firm net prices. Such contracts reflect the net prices for the items that are covered right in the contract itself, and the prices cannot be increased during the contract term, unless the increase is authorized through the MHEC by written addendum.
 - a. If a model/item within a manufacturer's line that is covered by the contract is not listed in the contract, contact the Purchasing Department to see if the item is new and is going to be added. Purchasing will contact the MHEC Office.

5. Purchase requisitions that are issued against MHEC contracts should be so marked in the description space of the request, together with the appropriate contract number, and the period it covers.

Example: MHEC

Computers #F5

Period of Contract: 1/1/06 through 12/31/07

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.3
Subject: State Contracts	

State Contracts are bid and controlled by the Commonwealth of Massachusetts, Department of Procurement and General Services (DPGS), in Boston, for use by state agencies located throughout the Commonwealth.

www.comm-pass.com Commonwealth of Mass State Contracts

“Contract Number”, followed by the respective State Contract title. Following are the instructions that apply to the use of State Contracts:

1. There are many State Contracts for goods and services please refer to their web site.
2. Requisitions issued against a State Contract should be so marked as follows:

Example: State Contract FAC 20 (contract number)
 Plastic Tableware (title of contract)
 Item Number if one exist.
 Period of Contract: 7/1/06 – 6/30/07 End Date 6/30/2012

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.4
Subject: Contracting for Labor and Materials (Construction and Renovations)	

The Facilities Department is the only department authorized to process contracts for Labor & Material.

Every contract for the construction, reconstruction, alteration, remodeling, repair, or demolition of any public building or public works by the Commonwealth or by any governmental unit thereof, shall be awarded to the lowest responsible and eligible general bidder on the basis of quotations or competitive bids obtained by the Purchasing Department in accordance with the procedures depending on the estimated dollars value of the contract set forth in the provisions of Massachusetts General Laws, Chapter 30, Section 39M, as amended; or Chapter 149, Sections 44A-44J, inclusive: and Trustee Policy T92-031.

Small Construction Projects less than \$10,000

Tradespersons- Repair and Maintenance FAC29; Maximum End Date: 12-15-12: The contract period is from 12/15/2002 to 12/15/2006 with options to renew until 12/15/2012.

The state contract covers all types of trades, repair services, repair, repairs, maintenance, plumbers, electricians, carpenters, general contractors, contractors, painters, door services, sign services, welders. You must seek three (3) quotes even when using the state contract.

This contract is for repair and maintenance services only and does not cover installation of new systems (such as alarm systems, etc.).

This contract **may not** be used for any job with a value of \$10,000 or higher. Currently, all work done under this contract falls under the Construction Laws of July 2004. To comply with these laws, contract users must seek three written quotes for any work to be performed. The job must be given to the lowest, responsible bidder. If there are not three contractors on this contract who perform the services needed, contract users must conduct their own competitive procurement, ensuring the requirements of the applicable laws and regulations are met.

Currently the law is: **SECTION 11.** Section 44A of chapter 149 of the General Laws, (2)(A) *Every contract for the construction, reconstruction, installation, demolition, maintenance or repair of any building by a public agency estimated to cost less than \$10,000 shall be awarded to the responsible person offering to perform the contract at the lowest price quotation; provided, however, that the public agency shall seek written price quotations from no fewer than 3 persons customarily providing the work for which the contract is being made available. When seeking written quotations the public agency shall make and keep a record of the names and addresses of all persons from whom price quotations were sought, the names of the persons submitting price quotations and the date and amount of each price quotation.*

Contractors will supply all labor, equipment, parts and supplies necessary to perform the needed services. Contractors are responsible for securing any and all necessary permits for the work to be performed.

Contractors must respond to contract users by phone within 24 hours of receipt of a call. Contractors are expected to schedule a site visit within 48 hours of the phone call. Quotes must be provided at no cost.

Contractors must adhere to all applicable Prevailing Wage laws and are required to submit Weekly Payroll Reports to the contract user.

Less than \$5,000

Every contract for the construction, reconstruction, installation, demolition, maintenance or repair of any building by the University estimated to cost less than \$5,000 shall be awarded to the responsible person offering to perform the contract at the lowest price quotation; provided, however, that the University shall seek written price quotations from no fewer than 3 persons customarily providing the work for which the contract is being made available. When seeking written quotations the University shall record the names and addresses of all persons from whom price quotations were sought, the names of the persons submitting price quotations and the date and amount of each price quotation."

Prevailing Wage Rates are posted at the work site in accordance with M.G.L. ch.149, sec. 27. If vendors you are seeking quotes from are on state contract then the prevailing wage rates and the apprentice rates are attached to the state contract. The prevailing wages for Boston are listed in district four. If you are soliciting written quotation from vendors not covered under state contract then the prevailing wage rates for isolated repair not associated with larger projects are used. (Issue Date: 3-21-06 valid one year from issue date)

These files are kept in the Facilities Department. A Labor and Material contract is not required for construction, reconstruction, installation, demolition, maintenance or repair under \$5,000. A certificate of insurance and an approved purchase order must be on file before the work begins.

If the award is given to a State Contract vendor then no contract will be required under \$10,000. If an award is given to a non- state contract vendor then a labor and material contract will have to be drawn up when the order is greater than \$5,000 < \$10,000. Purchasing will be responsible for drawing up the labor and material contract for quotes greater than \$5,000 > \$10,000. **When** the quote is greater than \$5,000>\$10,000 a 50% payment bond is required. We must state on the quote before it is sent out that a 50% payment bond will be required by the awarding vendor and that all premiums for the payment bond shall be paid by the general contractor.

Greater than \$5,000 < \$10,000

The Procurement Department will be responsible for getting the quotes over \$5,000. We will fax the information out to the vendors selected by the Design and Construction Department. The vendors will be required to fax back their responses within three (3) working days. The Labor and Material Contract will then be drawn up awarding the contract to the low bidder unless it is a State Contract vendor. The Procurement Department will forward the contract out to the low bidder and require that the awarding contractor execute the contract and provide the 50% payment bond within ten (10) working days from receipt. These documents will all be email directly to the awarding contractor so we track the time according to the laws of Massachusetts. The following information must be provided to accomplish this task.

Labor and Material Contracts over \$5,000 no greater than \$10,000

- If the estimated building construction cost of a project is greater than \$5,000<\$10,000 a Payment Bond of 50% is required for all construction contracts under M.G.L. c.149 for construction, reconstruction, installation, demolition, maintenance, or repair of a building and also for procuring projects under M.G.L. c 30, s.39M applies to the construction, reconstruction, alteration, remodeling, or repair of any public work. When obtaining the three (3) quotes the Procurement Department will add the following statements:
 1. The awarding Contractor will be required to submit a payment bond of 50% of the total contract price. This cost is the sole responsibility of the Contractor which must be included in their quoted price.

2. A certificate of insurance is required before any work can be performed on the University premises.
3. The University person who is responsible for this contract and their phone number.
4. How long the project will take after a purchase order is issued.
5. Award the contract to the person offering the lowest written price quotation.

The prevailing wages and the insurance requirements will accompany the fax quote that is sent out by Purchasing along with the complete description of work and the time it will be awarded and when the contractor will be able to start and when we expect them to be completed.

Bidding for M.G.L. c. 149 M.G.L. c. 30, s. 39M

Designer Procedure M.G.L. c. 7, ss. 38A1/2-O if over \$10,000 or the project exceeds \$100,000.

Building Contracts Estimated to Cost between \$10, 000 and \$25,000

Building Contracts Estimated to Cost between \$25, 000 and \$100,000

Building Contracts Estimated to Cost More Than \$100,000

Contractor and subcontractor prequalification for building contracts estimated to cost \$10 million or more

Contracts Subject to M.G.L. c. 30, s. 39M applies to the construction, reconstruction, alteration, remodeling, or repair of any public work. Also governs the purchase of construction materials estimated to cost more than \$10,000.

Public Works \$10,000 but not more than \$25,000

Public Works over \$25,000 up to \$100,000

Public Works over \$100,000

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.5
Subject: Contracting for Services	

A. When Is It Appropriate to Use the Contract for Services Form? The Contract for Services form shall be completed, when the dollar amount exceeds \$5,000 annually, for Consultant/Professional Services (HH), Operational Services (JJ), Construction Professional Services (NN) and Technology Services (UU).

B. When Is It Inappropriate to Use the Contract for Services Form? In accordance with Commonwealth of Massachusetts regulations, the Contract for Services Form may not be used to contract with individuals when the working relationship would qualify them more as an employee instead of an independent contractor. This only applies to direct contracting with individuals. If the contract is with a company or corporation, for services rendered by one or more individual(s) within that organization, then the Contract for Services Form may be used.

To determine whether a worker qualifies as an employee or independent contractor, you must apply the common law test of control. (See Consultant Services Trustee Doc. T92-031, as revised (Appendix D), section 1.3) Under this test, if you have the right to control and direct what a worker does and how he or she does it, a relationship between you and the worker exists and the worker must be classified as an employee. This means that the individual must be processed through Human Resources (HR) and may have to pay into Social Security and have State and/or Federal taxes withheld. In the absence of such control, a worker may be classified as an independent contractor.

For example, if you wish to hire an individual to work in your office answering phones and typing, one would assume that you have the right to control and direct what the individual does and how (s)he does it. This person would therefore be classified as an employee and would have to be processed through HR.

If, on the other had, you wish to hire an individual to create a software package for your office computer, one would assume that the individual would control what (s)he does and how it is done (hours worked, where work is done, how work is accomplished, etc.). This person could therefore be classified as an independent contractor and the contractual commitment should be processed on a Contract for Services Form. This type of service will return a product and a flat fee is established (Hours to complete project and rate of pay should be stated also), upon receipt of product.

If you are unsure as to how the worker should be classified, contact the Purchasing Department for a ruling. Questionable contracts are referred back to the requesting departments. Contracts for Services may not be issued for services rendered by University employees.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.6
Subject: Honoraria Account Code 757150	

Honoraria for Visiting Speakers/Lecturers - For services related to a speaking or lecturing engagement. This may be a flat rate which includes travel related expenses, or, travel may be broken out separately on the Purchase Order/contract that is issued for service. If no payment for service is involved (service provider requests only reimbursement for travel, use 758980)

An Honorarium is a payment for professional service for which no wage is established. The payment itself is an honorary award in recognition of that effort. Honoraria are further defined by the following characteristics:

- Payment is to an individual (non-employee);
- Payment is a one time, non-recurring transaction for a performance by an individual for the University;
- Recipient is usually a distinguished individual whose service may not have a precise value, and
- Service performed does not normally generate a physical product.

An Honoraria Visiting Speaker/Workshop (One (1) day only) under \$5,000 requires a purchase order on line no contract is required. A complete description stating the title of the lecture with date the event is to take place is required. The matching information must be read blanket and the lines detail category must read contract for services. If no bill is received then the department must submit a reimbursement voucher once the services are completed, which needs to state the purchase order number, the date of service and a statement made on the disbursement voucher in the payment type, stating that the services are complete. The authorized signature of the account must sign this document.

If an honorarium is to be prepaid then the purchase order is put on line and once the order is dispatched then a disbursement voucher is submitted directly to accounting stating in the payment type on the disbursement voucher that this is a prepayment and to please contract the department when the check comes in. The department's name and the contact person along with the telephone number must be stated and highlighted on the disbursement voucher. The authorized signature must sign this disbursement voucher. Accounts payable needs at least a week and a half advance notice if the honoraria are to be prepaid. All requests for a prepayment must be hand delivered to the Account Payable Department and handed to a person. This cannot be left in the mail.

All honoraria over \$5,000 are required to have a contract. Instructions to follow are the same as a Consultant Contract.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.7
Subject: Recruitment Reimbursement Account Code 734270	

General Recruitment - Expenses related to employee recruitment

No purchase order required. Candidates for positions (employee recruitment): paid directly to an individual will be done as direct payment. An original W-9, disbursement voucher, and a vendor update form will be required. All original receipts must be submitted. The disbursement voucher must clearly state the dates of the interview and what position they interviewed for.

Recruitment reimbursements are payments for the expenses of candidates coming to and returning from their interviews with University officials.

Objective and Purpose

To establish, maintain and administer a system to allow compensation to potential University employees for services associated with recruitment by the University.

Policy

It is the policy of the University to reimburse candidates for employment for expenses they incur in meeting the University's requirements for interviews.

Procedure

Method 1. The candidate may be reimbursed for precisely the costs incurred in traveling to and returning from the University. Such costs for fares, lodging and other necessary travel expenses will be reimbursed upon submission of appropriate receipts. These travel expenses will be summarized on a Disbursement Voucher with the original receipts attached and forwarded to the Accounts Payable Office for processing.

Note: No Contract Required: Reimbursement of these expenses will be made from account class EE.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.9
Subject: Consultant Services	

A “consultant” shall mean any person who, as a non employee of the Commonwealth, gives advice or employee training and whose compensation is payable from account class HH, NN or UU. No people employed by the University, as a consultant, shall directly or indirectly supervise another temporary or permanent employee of the University. A consultant is required to render a written report prior to final payment in most cases.

Selection of Consultant

The process for selection of a consultant to perform services for the University shall be as competitive as practicable under the circumstances.

Levels of Approval

Consultant Services under \$5,000 require a requisition only with the following information:

1. Specific duties and responsibilities of the consultant.
2. Period for which the services are to be engaged.
3. Rate of compensation for services.

Note: Requisitions must be in the Purchasing Department before services begin and a purchase order needs to be issued.

Consultant Services over \$5,000 up to \$10,000

Contracting for Services requires a **complete executed copy** of the Contract for Services form, with specific duties, along with a requisition. All documents must be in the Purchasing Department before services begin and a purchase order is issued. The department will be responsible for obtaining the consultant signature under \$10,000.

Consultant Services over \$10,000 up to \$50,000

Contracting for Services requires a **draft copy** of the Contract for Services form, with specific duties, along with a requisition. All documents must be in the Purchasing Department before services begin and a purchase order is issued. The Procurement Department will be responsible for obtaining the consultant signature under \$50,000. Departments are responsible for getting their appropriate Vice Chancellor/Provost signature on the draft copy of the contract for services. Procurement cannot proceed with this contract unless your immediate Vice Chancellor/Provost has approved the scope of services.

Consultant Services over \$50,000 must be competitively bid unless a sole source justification form is completed and accepted by the Assistant Vice Chancellor for Contracts and Compliance. All signatures must be on the sole source justification before submitting it to the Procurement Department.

The Contract for Services form **must** include the following information:

1. Consultant's legal name, address, including zip code.
2. Period for which the services are to be engaged and who is the individual that will be responsible for this contract.
3. Specific duties and responsibilities of the consultant.
4. Rate of compensation for services.
5. Signature of the Department Head and/or the person exercising budgetary control.
6. Extensive Sole Source Justification form for services over \$50,000; or detailed specifications for competitive bidding.
7. All Consulting Contracts exceeding \$25,000 must be approved by University's Legal Counsel Department. The Procurement Department will obtain this approval.

The Contract for Services Form can be obtained by downloading the form, from the Procurement Office Web Site.

No consultant to perform services classified under account class HH, NN, and UU costing over \$50,000 annually, may be awarded, except pursuant to competitive bidding, use of a contract vendor, or submission of a extensive Sole Source Justification Form with a written quote.

Consultants are responsible for making their own estimated income-tax and self-employment-tax payments, and because they are not employees, are not entitled to fringe benefits such as employer-paid retirement and insurance.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.11
Subject: Service Contracts/Operational	

A Service Contract is a non payroll payment for performance of a specialized service, generally over an extended period of time. These payments are usually made to a legal entity other than an individual. Normally service contracts require the delivery of a defined end product or service. Examples of such services are:

Messenger/Mail Service, Advertising Services, Medical Services, Transcription Services (Companies Only), Video Duplication and Production Services, etc.

University Legal Services

All contracts for legal services must have the prior approval of University Counsel.

Temporary Services

- Non payroll payments for performance of service by temporary secretarial or other **TEMPORARY HELP**: HR is responsible for hiring all temporary help for all departments regardless of funds. Please contact HR.

Levels of Approval

Operational Services under \$5,000 require a requisition only with the following information:

1. Specific duties and responsibilities of the consultant.
2. Period for which the services are to be engaged.
3. Rate of compensation for services.

Note: Requisitions must be in the Purchasing Department before services begin and a purchase order needs to be issued.

Operational Services over \$5,000 up to \$10,000

Contracting for Services requires a **complete executed copy** of the Contract for Services form, with specific duties, along with a requisition. All documents must be in the Purchasing Department before services begin and a purchase order is issued. The department will be responsible for obtaining the contractors signature under \$10,000.

Operational Services over \$10,000 up to \$25,000

Contracting for Services requires a **draft copy** of the Contract for Services form, with specific duties, along with a requisition. All documents must be in the Purchasing Department before services begin and a purchase order is issued. The Procurement Department will be responsible for obtaining the contractors signature under \$25,000.

Operational Services over \$25,000 must be competitively bid unless a sole source justification form is completed and accepted by the Assistant Vice Chancellor for Contracts and Compliance. All signatures must be on the sole source justification before submitting it to the Procurement Department.

The Contract for Services form **must** include the following information:

1. Contractor's legal name, address, including zip code.
2. Period for which the services are to be engaged and who is the individual that will be responsible for this contract.
3. Specific duties and responsibilities of the contractor.
4. Rate of compensation for services.
5. Signature of the Department Head and/or the person exercising budgetary control.
6. Extensive Sole Source Justification form for services over \$25,000; or detailed specifications for competitive bidding.
7. All Operational Services exceeding \$25,000 must be approved by University's Legal Counsel Department. The Procurement Department will obtain this approval.
8. The Contract for Services Form can be obtained by downloading the form, from the Procurement Office Web Site.

No contractor to perform services classified under account class JJ costing over \$25,000 annually, may be awarded, except pursuant to competitive bidding, use of a contract vendor, or submission of a extensive Sole Source Justification Form with a written quote.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.13
Subject: Sole Source Justification for Professional Services	

Sole Source Justification for Consultant/Professional Services (HH), Operational Services (JJ), Construction Professional Services (NN), and Information Technology Service (UU)

In accordance with University policy, which has been mandated by the State and Federal auditors, any Consultant/Professional Services (HH) and Information Technology Services (UU) in excess of \$50,000, Operational Services (JJ) in excess of \$25,000.00, and Construction Professional Services (NN) in excess of \$10,000 **that has not been competitively bid by an authorized agency (the MHEC, the Procurement Department, the Commonwealth, or DCAM)** must be accompanied by an explanation/justification detailing the following:

- (1) the need; (2) how the Contractor was selected; (3) a list of the other Contractors considered; (4) why the Contractor was selected over other Contractor (s); and (5) what the department has done by way of cost comparison to determine that the charge is not out of line with the current market pricing for the service. Or, if the Contractor is a sole source, a detailed justification shall be provided.

The original copies of any written quotes from other Contractors should also accompany the Draft Contract for Services and the Sole Source Justification for Consultant/Professional Services (HH), Operational Services (JJ), Construction Professional Services (NN), and Information Technology Service (UU) Form.

Furthermore, per Trustee policy, any Consultant/Professional Services (HH) and Information Technology Services (UU in excess of \$50,000, Operational Services (JJ) in excess of \$25,000.00, and Construction Professional Services (NN) in excess of \$10,000 shall be competitively bid by an authorized agency, or extensive Sole Source Justification shall be provided. The approval of both the Assistant Vice Chancellor for Contracts and Compliance and the appropriate Vice Chancellor/Provost is required for any Sole Source Justification.

If the Contractor qualifies as "sole source", or "sole acceptable source"; i.e., the Contractor is unique, and, to the best of the user's knowledge, no other Contractor in the world performs the service, or has the level of skill required to perform the service then the justification should detail the need and what there is about the Contractor service and/or skill that makes it unique from any other like Contractor.

Please write and sign your explanation/justification on the Sole Source Justification; an attached sheet may be added, if necessary. Thank you for your cooperation in this matter.

UNIVERSITY OF MASSACHUSETTS BOSTON

Sole Source Justification for Consultant/Professional Services (HH in excess of \$50,000), Operational Services (JJ in excess of \$25,000), Construction Professional Services (NN in excess of \$10,000), and Information Technology Service (UU in excess of \$50,000)

Name of Contractor: _____

Purchase Request No.: _____ **Date:** _____

Contract Amount: \$ _____

Detailed Explanation/Justification:

I certify under the penalties of perjury that the above statements are true and precise and that I have no financial or other beneficial interest in the Contractor.

Account Administrator
(Individual Exercising Budgetary Control)

Date

Immediate Supervisor

Date

Sole Souse Justification for Consultant/Professional Services (HH in excess of \$50,000), Operational Services (JJ in excess of \$25,000), Construction Professional Services (NN in excess of \$10,000), and Information Technology Service (UU in excess of \$50,000) Approved by:

Immediate Vice Chancellor/Provost

Date

Assistant Vice Chancellor for Contracts and Compliance

Date

Rev.12/06

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.14
Subject: Contract Amendment/Modification	

If additional services are required to be performed by the Contractor, a request to issue an amendment/modification must be sent to the Purchasing Department on a requisition on line. The requisition should include the existing Purchase Order Number, and the necessary information required to prepare the amendment/modification, i.e., extending time, adding cost, amending existing budgets, etc.

When making a change to a Contract for Services form after the contract has been completed, signed, and processed through the system with the purchase order, a written addendum to the contract will be required. The Procurement Department will be responsible for drawing up all amendments/modifications.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.15
Subject: Purchase of Equipment, Rental/Lease/Lease-Purchase, Rental and Lease of Space	

Following is the policy and the procedures for the short-term rental (up to 12 months), and for the longer-term, lease or lease-purchase (greater than 12 months), of equipment other than for the rental and lease of space.

- **LEASE AGREEMENTS**
- Lease Agreements for less than a year is signed by The Vice Chancellor for Contracts and Compliance.
- Lease Agreements for more than a year is signed by The Treasurer of the University.
- If over \$5,000 and not covered under contract must be competitively bid.
- A purchase order is put on line and the agreement is forwarded to the Procurement Department. The Procurement Department is responsible for obtaining the Treasurer’s signature.
- All purchase orders for Leases must have an agreement.

1. Equipment Rental/Lease/Lease-Purchase: (Object class LL) Departments are reminded that a premium, in the form of interest, is paid to rent or lease equipment, and that, in most instances, it is more cost effective to purchase the equipment rather than to rent or lease it for an extended period of time.

(a) Any agreement for the rental/lease/lease-purchase of equipment must be covered by a requisition. Such requests against those accounts that are set up through the term of the contract. If the department cannot afford to encumber the complete lease then beyond the end of the fiscal year in which issued, the department shall submit a change order to increase it for the following year together with a copy of the original agreement, bearing all applicable signatures.

(b) All rentals/leases/lease-purchases of equipment must be covered by an agreement, which shall be signed by the vendor and the Assistant Vice Chancellor for Contracts and Compliance. The contracts are subject to legal review by the University’s Staff Attorney, and require the approval of the University Treasurer.

(c) If the total value of the rental/lease/lease-purchase is not greater than \$5,000 for the entire term of the agreement, or if the agreement is covered by the State, MHEC, Campus or University contract, the department may prepare a purchase requisition and submit it to Purchasing, together with the vendor’s contractual agreement, for review. No Purchase Order covering the rental/lease/lease-purchase of equipment will be processed unless and until it has the appropriate, properly executed contract attached to it.

(d) If the total value of the rental/lease/lease-purchase is greater than \$5,000 for the entire term of the agreement, and the agreement is not covered by State, MHEC Campus, or University contract, the department shall submit their requirements to Purchasing in requisition form. The Purchasing Department will send out requests for bids for the requirements and will issue a Purchase Order to cover the resulting agreement. The department renting/leasing the equipment will be responsible for issuing change orders to cover any subsequent years of the agreement, if applicable.

Departments are cautioned that non-contract lease procurements that require public bids may take an extended period of time to process. Because of the complexity of the procedures, it is strongly recommended that equipment with a purchase price of less than \$5,000 (before interest) be purchased rather than leased.

2. Space Rental/Lease: All rentals/leases for space must have the prior approval of the University Treasurer, University Legal Counsel, and the Board of Trustees, and may require the further approval of DCAM. Because of the complexity of the procedures, space rentals/leases may only be done under extraordinary circumstances and should be discussed with the appropriate buyer prior to making any such decision.

3. All rental/lease/lease-purchase agreements are subject to the review and approval of the Purchasing Department, and all the necessary procedures shall be followed, and approvals and signatures obtained, prior to making any commitment to the vendor.

4. All payments against such agreements shall be made in arrears, at the end of the respective billing period.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 3.16
Subject: Equipment and Software Maintenance, Including Software Licenses	

Following is the policy and procedures that shall be followed to contract with an outside vendor for the maintenance/repair of University-owned equipment; e.g., office machines, computers, research equipment. Also covered is the policy and procedures for software maintenance and licensing.

- **MAINTENANCE AGREEMENTS**

- One year Maintenance Agreement: The is the only individual authorized to sign on behalf of the University, regardless of the source of funds is the Assistant Vice Chancellor for Contracts and Compliance. All purchase orders for maintenance services must have an agreement forwarded to the Procurement Department. A bill is not considered an agreement.

1. Maintenance/repair service/parts for equipment: When there is labor involved, charge LL. If the purchase covers only replacement parts without labor, charge to the appropriate account code.

a. Two types of equipment repair service are usually available from those vendors that offer it:

(1) Per Call Service: Equipment is serviced only when requested. Fees are usually based on an hourly rate plus replacement parts and the requesting department is billed for each call.

(2) If the total value of the maintenance service contract is greater than \$5,000 for the entire term of the agreement and the service is available from more that one vendor, and if the agreement is not covered by State, MHEC, University or Campus contract, the department shall submit their requirement to Purchasing in requisition form, or written justification for sole source, or sole acceptable source, shall be provided on the Documentation Form – Sole Source, Sole Acceptable Source/Brand. The Purchasing Department will send out requests for bids for competitive requirements and will issue a Purchase Order to cover the resulting agreement. The requesting department will be responsible for issuing requisitions to cover any subsequent years of the agreement, if applicable.

In all instances, the vendor shall provide the University with an itemized bill, including the rate per hour, the number of hours worked, and an itemized list of parts (if applicable). Lump sum bills are unacceptable.

(3) Service Contract (usually issued annually): Equipment may receive regularly scheduled preventive maintenance inspections and is repaired, as needed, between inspections for a flat annual rate. Some service contracts include replacement parts; other, only cover labor. The requesting department should check the terms of the vendor's service contract prior to contracting for maintenance to determine exactly what is covered.

(4) A requisition must cover any agreement for the maintenance/repair of equipment.

(5) All maintenance service contracts must be covered by a written agreement, which shall be signed by the vendor and the Assistant Vice Chancellor for Contracts and Compliance. Any such agreement that spans more than twelve months also may be subject to legal review by the University's Staff Attorney and the Treasurer must sign this agreement.

(6) If the total value of the maintenance service contract is not greater that \$5,000 for the entire term of the agreement, or if the agreement is covered by State, MHEC, University, or Campus contract, the department may prepare a

requisition and submit it to Purchasing for review, together with the vendor's contractual agreement. No Purchase Order covering a maintenance service contract will be processed unless and until it has the appropriate, properly executed contract attached to it.

(7) If the total value of the maintenance service contract is greater than \$5,000 for the entire term of the agreement and the service is available from more than one vendor, and if the agreement is not covered by State, MHEC, University or Campus contract, the department shall submit their requirement to Purchasing in requisition form, or written the Documentation Form

– Sole Source, Sole Acceptable Source/Brand. The Purchasing Department will send out requests for bids for competitive requirements and will issue a Purchase Order to cover the resulting agreement. The requesting department will be responsible for issuing purchase requisitions to cover any subsequent years of the agreement, if applicable.

(8) All maintenance service agreements are subject to the review and approval of the Purchasing Department, and all the necessary procedures shall be followed, and approvals and signature obtained, prior to making any commitment to the vendor.

2. Software Maintenance/Licenses: Often, the vendor will combine the license and maintenance into one agreement. Agreements are charged to the account code (734800).

– **Software LICENSE AGREEMENTS**

- License Agreement < \$1,000 The Assistant Vice Chancellor for Contracts and Compliance is the only individual authorized to sign LICENSE AGREEMENTS, regardless of the source of funds.
- License Agreement > \$1,000 The Treasurer of the University is the only individual authorized to sign LICENSE AGREEMENTS over \$1,000 on behalf of the University, regardless of the source of funds. A purchase order is put on line and the agreement is forwarded to the Procurement Department. The Procurement Department is responsible for obtaining this signature.
- All purchase orders for Licenses must have an agreement.

(a) Any such maintenance/license agreement must be covered by a purchase requisition.

(b) Requisitions issued against grant or contract accounts may be encumbered from the effective date to the expiration date of the grant or contract account charged.

(c) All such contracts must be covered by a written agreement, which shall be signed by the vendor and the Assistant Vice Chancellor for Contracts and Compliance if under \$1,000, over \$1,000 the Treasurer must sign. Any maintenance agreement that spans more than twelve months also must be signed by the Treasurer and may be subject to legal review by the University's Staff Attorney.

All software licenses in excess of \$1,000 are subject to the review and signature of the University Treasurer, regardless of duration, and may also be subject to legal review. Licenses under \$1,000 shall be reviewed and signed by the Assistant Vice Chancellor for Contracts and Compliance.

(d) The department shall prepare a purchase requisition and submit it to Purchasing, together with the vendor's contractual agreement. No Purchase Order covering software maintenance/license will be processed, and no commitment shall be made to the vendor, until the appropriate, properly executed contract has been attached to it.

3. Payments against all such agreements shall be made in arrears, at the end of the respective billing period.

4. Departments are advised that personal computer maintenance/repairs, and software assistance, are also available in house by contracting the Help Desk.

University of Massachusetts Boston	
Date: December 1, 2006	Section: 4.1
Subject: Staff Directory	

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University of Massachusetts Boston	
Date: December 1, 2006	Section: 4.2
Subject: Glossary of Terms	

Outside Sources: Purchasing Handbook, George W. Aljian, McGraw-Hill, 1966; State and Local Government Purchasing, Council on State Governments 1991; Webster's New Collegiate Dictionary, 1973

Act of God

A term used to denote a danger beyond control of avoidance by human power; any accident produced by a physical cause that is irresistible, such as hurricane, flood, lightning, etc., which is in no way connected with negligence.

Account Administrator

The individual exercising budgetary control over a particular fund/account.

Acknowledgment

A form used by a vendor to advise a purchaser that an order has been received, which usually implies that it has been accepted, and will be shipped.

Activity Account Number

The eight-digit number assigned to the University by the Commonwealth's Budget Bureau under each state appropriation identifying the basic functions within the University.

As Is

A term indicating that goods offered for sale are without warranty or guarantee, and that the purchaser takes the goods at his own risk without recourse against the seller for the condition or performance of the goods.

Back Order

The portion of an order that the vendor cannot deliver on schedule and that has been re-entered for shipment when available.

Bid Deposit

A sum of money or check deposited with and as instructed by the prospective purchaser to guarantee the bidder will, if selected, accept the contract in accordance with the terms of the bid. If the bidder does not accept the contract (s) he forfeits the amount of the deposit.

Bid Opening

The formal process through which bids are opened and the contents revealed for the first time to the jurisdiction, other bidders, and, usually, to the public.

Bidders List

A list maintained by the Purchasing Department with the names and addresses of suppliers of various goods and services from who bids, proposals, and quotations can be solicited.

Blanket Order

A purchase arrangement in which the purchaser contracts with a vendor to provide the purchaser's requirements for an item(s) or service, on an as required and often over-the-counter basis. Such arrangements set a limit on the period of time they are to be valid and the maximum amount of money that may be spent that one time or within a period of time. Blanket Orders are usually issued as the result of a public bid, or in accordance with a MHEC, or State Contract.

Boiler Plate

The standard terms and conditions of the University or vendor, usually preprinted, and incorporated in the purchasing forms of the University, or the offer/acceptance forms of the vendor.

Bonds, Payment and Performance

A contract of guaranty executed subsequent to award, but prior to commencement of the work, by the successful bidder to protect the institution from loss due to the vendor's inability to complete the contract as agreed.

Capital Outlay

Monies allocated by the Commonwealth for specific projects such as building and real property improvement. Change Order An addendum issued to amend an original Purchase Order. Commodity Code A number that identifies the specific type of procurement to be affected. Purchases made with state appropriated funds require that the appropriate 11-digit commodity code be assigned to each material purchase that is affected. Commodity Codes are used in automated systems to track volume.

Competitive Procurements

Those purchases for which the specified product/service, or an equivalent, alternate type of product/service, is available from more than one source of supply.

Confirming Order

A means of expediting a Purchase Order, by telephone or through some other medium, prior to the formal issuance of a Purchase Order against authorized encumbered funds.

Conflict of Interest

A situation where the personal interests of a contractor, public official, or employee are, or appear to be, at odds with the best interest of the University.

Cooperative Purchasing

Procurement conducted by, or on behalf of, more than one entity, such as purchase agreements created by the Commonwealth for the use of its agencies, or by the Massachusetts Higher Education Consortium (MHEC) for the use of its member schools.

Disadvantaged Business

A small business that is owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantage.

Emergency

A situation that requires a Purchase Order be expedited, to avoid substantial harm to the functioning of the University, or to protect the public health, welfare, or safety.

Equipment

Any item that is an entity unto itself has a unit list price of \$100 or more, has a life expectancy of two years or more, and is repairable.

Expedite

To hasten or to assure delivery of goods purchased in accordance with a time schedule, usually by contact between the purchaser and the vendor.

F.O.B. (Free on Board)

The term means the seller is required to place the goods aboard the equipment of the transporting carrier without cost to the buyer. The term "F.O.B." must be qualified by a location, such as shipping point, destination, name of a city, etc. The state F.O.B. point is usually the location where title to the goods passes from the seller to the buyer. The seller is liable for transportation charges up to the point where title passes to the buyer. The buyer is liable for such charges and risks after passing of title.

Independent Contractor/Consultant

One who is self-employed or who employs others. Such individuals work for themselves and control the performance of the work based on experience, special license, or special training required for the job. The independent contractor/consultant provides the knowledge, experience, and labor to perform the job, or provides other individuals to perform the job. All payroll taxes and any benefits are provided by the contractor/consultant. Compare this to a University employee, who operates under the direct supervision and control of another University employee, occupies University space, and may participate in Commonwealth/University benefit plans, and who is paid in increments and not in lump sums for services rendered. Furthermore, independent contractors are issued 1099 forms; employees, W-2.

Lead Time

The period of time from date of ordering to date of delivery during which the buyer must reasonably allow the vendor to prepare goods for shipment. Also, the period of time needed by Purchasing to process departmental Purchase Requisitions for bidding and award of contract.

Lease, Equipment

A written contract between the University and a vendor for the use of equipment for a term greater than 12 months, at the end of which period the equipment may be returned to the vendor. Title remains with the vendor at all times. Also, see Rental, Equipment.

Lease - Purchase, Equipment

A lease-purchase contract for a greater than 12 month period containing a purchase option in which the University's periodic payments or parts thereof may be applied to serve both as the rental obligation and as installments for acquiring ownership of the property upon the University's exercising the purchase option; a conditional sales contract. Title remains with the vendor until such a time as the purchase option may be exercised.

Lease/Rental, Space

A written contract between the University and a vendor for the (Real Estate) use of real estate (space) for a specified period of time. The University requires that any such lease/rental receive the prior approval of the University Treasurer, University Legal Council, the Board of Trustees, and, possible, DCAM.

Material

The equipment, apparatus, and supplies used by an organization or institution.

Or Equal

A phrase used to indicate the acceptability of products of similar or superior function, purpose, design, and/or performance, generally used in conjunction with brand name specifications and as further defined in Chapter 30, Section 39M, or the Massachusetts General Laws.

Practicable

Possible to practice or perform.

Prebid Conference

A public meeting held prior to the bid opening that is used to explain complicated specifications, receive and answer questions, and conduct site visits and tours. The prebid conference may be an attendance option, to be eligible to bid, as defined in the bid specifications.

Prepaid (Transportation)

A term used to signify that transportation charges will be paid at the point of shipment. Such charges are usually added to the invoice.

Protest

A complaint about a governmental action or decision brought by a prospective bidder, a bidder, a contractor, or other interested parties to the appropriate administrative section with the intention of achieving a remedial result.

Public Bid

The executed document submitted by a bidder in response to a sealed, public request from Purchasing. Bid forms are usually title, "Request for Proposal," "Request for Bid," or "Bid Proposal".

Purchase Order

A purchaser's document to formalize a purchase transaction with a vendor. The Purchase Order should contain statements as to the quantity, description, and price of the goods or services ordered; applicable terms as to payment, discounts, date of performance, and transportation; and other factors or suitable references pertinent to the purchase and its execution by the vendor. Acceptance of the Purchase Order by the vendor constitutes a contract.

Purchase Requisition

A form prepared by a department for Purchasing to encumber funds for a particular purchase or to request that Purchasing obtain formal, written bid(s) for the product(s) or service.

Quotation

As used by the University, a quotation is an informal means of determining a vendor' price and terms for the purchase of goods, or services, either verbal or written, which is frequently obtained by departments and submitted to Purchasing as backup to a purchase order.

Refund

A University refund is defined as a payback of monies owed by the University to an individual/company/corporation that were previously paid to the University by that individual/company/corporation.

Reimbursement

A University reimbursement is defined as a payback of monies to an individual that were paid out of pocket to a vendor, by that individual.

Rental, Equipment

A written contract between the University and a vendor for the use of equipment for a term up to 12 months. (Also, see, Lease, Equipment; and Lease-Purchase, Equipment.)

Responsible Bidder

A bidder whose reputation, past performance, and business and financial capabilities are such that (s) he would be judged by the appropriate University authority to be capable of satisfying the University's needs for a specific contract.

Responsive Bidder

A Bidder whose bid does not vary from the specifications and terms set out by the University in the Invitation to Bid.

Sole Acceptable Source/Brand

Similar types of products/services may exist, but the vendor/ brand, for reasons of expertise, and/or standardization, quality, compatibility with existing equipment, specifications, or availability, is the only source/brand that is acceptable to the requester or the University.

Sole Source Item

An item that can only be purchased from one supplier, usually because of its technological, specialized, or unique character.

Specifications

A detailed description of what the purchaser requires and, consequently, what a bidder must offer to be considered for an award.

Tax-Free Alcohol

Neutral Grain Spirits having a proof of 190 or more, which can only be ordered and used under an Industrial Use Permit, issued and regulated by the United States Treasury Department, Bureau of Alcohol, Tobacco and Firearms. All such purchases shall be processed through the Department of Chemistry.

Vendor

Any person or company that sells something or charges for a service.

Vendor Code

An 11-digit number (FRS), or a 13-digit number (MMARS) created, in part, from the vendor's 9-digit Taxpayer's Identification Number (F.E.I. or Social Security Number). The number is used electronically to identify the vendor's remittance and order from address.

Purchasing Manual