Introduction

Rensselaer Polytechnic Institute’s *Procurement Services Policies and Procedures* provide information on requisitioning procedures, bidding requirements, procurement practices, and the receiving of goods and/or services for Institute use. The Policies and Procedures reflect the requirements of state and federal statutes and good business practices. The Director of Procurement Services is responsible for the interpretation and administration of Procurement Policies and Procedures.

These guidelines cover most but not all cases involving procurement for Rensselaer. In exceptional circumstances or for further information, users should contact Procurement Services at (518) 276-6222 for assistance.

Corrections, changes, or suggestions should be communicated to procurement_support@lists.rpi.edu.

In the event of an inconsistency or conflict, applicable law supersedes Institute policies and Institute policies supersede school, department or lower unit bylaws, policies, or guidelines.

Rensselaer reserves the right to add, amend, or revoke any of the contained rules, policies, regulations, and instructions or incorporate additional ones, with or without notice, as circumstances or the good of the Rensselaer community may require.

*Originated 7/18*
# Table of Contents

- PROCUREMENT SERVICES POLICIES AND PROCEDURES .................................................. 1
- INTRODUCTION .................................................................................................................. 1
- TABLE OF CONTENTS ........................................................................................................ 2
- DEFINITIONS ...................................................................................................................... 4
- SECTION 1: GENERAL POLICIES ...................................................................................... 14
  - 1.1 CODE OF ETHICS ....................................................................................................... 14
  - 1.2 FEDERAL GUIDELINES ............................................................................................ 16
  - 1.3 CONTRACTUAL AUTHORITY .................................................................................. 18
  - 1.4 SPENDING AUTHORITY .......................................................................................... 20
  - 1.5 CAPITAL BUDGET EXPENDITURE ......................................................................... 22
  - 1.6 SALES TAX .............................................................................................................. 23
  - 1.7 GIFTS, GRATUITIES AND FAVORS FROM SUPPLIERS .............................................. 24
  - 1.8 EMPLOYEE EVENTS/GIFTS .................................................................................... 26
  - 1.9 SUPPLIER DIVERSITY POLICY .............................................................................. 27
  - 1.10 SMALL BUSINESS SUBCONTRACTING PLAN POLICY (FEDERALLY FUNDED) .......... 29
  - 1.11 SMALL BUSINESS SUBCONTRACTING PLAN POLICY (NYS FUNDED) ..................... 32
- SECTION 2: SUPPLIERS SECTION ................................................................................... 35
  - 2.1 SUPPLIER QUALIFICATION .................................................................................... 35
  - 2.2 SUPPLIER CERTIFICATION .................................................................................... 37
  - 2.3 RENSSELAER GENERAL TERMS AND CONDITIONS ................................................. 38
  - 2.4 SUPPLIER SUSPENSION .......................................................................................... 39
  - 2.5 SUPPLIER INVOICING ............................................................................................ 41
- SECTION 3: PROCUREMENT PROCEDURES .................................................................. 42
  - 3.1 COMPETITIVE BID THRESHOLD ............................................................................ 42
  - 3.2 BID SOLICITATION AND AWARD ......................................................................... 43
  - 3.3 SOLE/SINGLE SOURCE PURCHASES ................................................................... 45
  - 3.4 REQUISITIONS ......................................................................................................... 46
  - 3.5 CONTRACTUAL REVIEW POLICY .......................................................................... 48
  - 3.6 PURCHASE ORDERS AND CONTRACTS ................................................................. 50
  - 3.7 SHIPPING TERMS ..................................................................................................... 52
  - 3.8 MASTER AGREEMENTS ........................................................................................... 53
  - 3.9 BLANKET ORDERS ................................................................................................. 54
  - 3.10 CHANGE ORDERS ................................................................................................ 56
Definitions

**Agency Employee**
An employee of a firm with which Rensselaer has contracted for services.

**Agreement**
Contract.

**Architect Services**
Those professional architect services that are within the scope of architectural practice.

**Banner**
Rensselaer’s Enterprise Resource Planning (ERP) system.

**Bid**
An offer from a supplier to provide goods and/or services meeting specific requirements in response to an invitation to bid issued by Rensselaer.

**Bid Threshold**
The dollar value at and above which three (3) competitive bids or a single/sole source justification is required in order to proceed with a purchase requisition. At Rensselaer, the bid threshold is $5,000.

**Blanket Order**
A contract for a specified period between Rensselaer and supplier to furnish the commodities specified in the order on a periodic or sporadic release basis and, generally, at predetermined prices. A blanket order does not encumber funds and is issued exclusively pursuant to the determination of Procurement Services.

**Brand Name or Equal**
A method of describing an item to be purchased by using an actual brand, make, or model as a guide for comparison.

**Buy Out**
Make full payment on an installment contract before the end of the contract period.

**Capital Equipment**
Equipment is capitalized when the unit of property is moveable and its incurred transaction costs (i.e. facilitative costs) exceed $3,000 and the useful life of the unit of property is greater than one (1) year. Note that a unit of property may be one piece of equipment or it may be multiple pieces of equipment that are used together to create one unit.

**Certified Supplier**
A supplier, who successfully completes Rensselaer’s supplier certification process, has been centrally vetted, is not included on the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) Debarred List, and is approved to do business with Rensselaer. Certified Suppliers are available for ordering in OSCAR. Competitive bidding requirements apply to all purchases from Certified Suppliers over the Institute’s Bid Threshold.

**Competitive Bidding**
The total process of requesting price quotations from different suppliers on an item or service.

**Competitive Sealed Bid**
A formal bid submitted by supplier in a sealed envelope that is to be opened at a designated place, time, and date.
**Competitive Sealed Proposal**
A formal proposal submitted by a supplier in a sealed envelope that is to be opened at a designated place, time, and date.

**Component Parts**
A component part is defined as follows: an expenditure in excess of $1,000 which increases the value of the unit of property; a major functional betterment (materially increase productivity, quality or output); an adaptation which must perform a new discrete/critical function; or corrects a material condition or defect (addition will occur only once during life).

**Consortium Contract**
A contract entered into by a group of agencies or institutions that act as one agency for the benefit of all the institutions or agencies.

**Contract**
An agreement with specific terms between two or more persons or entities in which there is a promise to do something in return for a valuable benefit known as consideration. A legally binding business arrangement for the supply of goods or services at a set price.

**Construction-Manager-at-Risk**
A project delivery method in which:
1. There is a separate contract for design services and a separate contract for construction services.
2. The contract for construction services may be entered into at the same time as the contract for design services or at a later time.
3. Design and construction of the project may be in sequential phases or concurrent phases.
4. Finance services, maintenance services, operations services, preconstruction services and other related services may be included.

**Construction Services**
Either of the following for construction-manager-at-risk, design-build, and job-order-contracting project delivery methods:
1. Construction, excluding services, through the construction-manager-at-risk or job-order-contracting project delivery methods.
2. A combination of construction and, as elected by the Institute, one or more related services, such as finance services, maintenance services, operations services, design services and preconstruction services, as those services are authorized in the definitions of construction-manager-at-risk, design-build, or job-order-contracting in this section.

**Cooperative Contract**
See Consortium Contract.

**Design-Bid-Build**
A project delivery method in which:
1. There is a sequential award of two separate contracts.
2. The first contract is for design services.
3. The second contract is for construction.
4. Design and construction of the project are in sequential phases.
5. Finance services, maintenance services, and operations services are not included.
**Design-Build**
A project delivery method in which:
1. There is a single contract for design services and construction services.
2. Design and construction of the project may be in sequential phases or concurrent phases.
3. Finance services, maintenance services, operations services, design services, preconstruction services and other related services may be included.

**Design and Construction Consultants**
Architects, engineers, land surveyors, assayers, geologists, landscape architects, construction managers, construction programmers, and construction cost consultants.

**Design Requirements**
1. At a minimum, Rensselaer’s written description of the project or service to be procured, including:
   a. The required features, functions, characteristics, qualities and properties, including, when applicable, programming, planning, and site and building development guidelines.
   b. The anticipated schedule, including start, duration and completion.
   c. The estimated budgets applicable to the specific procurement for design and construction and, if applicable, for operation and maintenance.
2. May include:
   a. Drawings and other documents illustrating the scale and relationship of the features, functions and characteristics of the project, which shall all be prepared by an architect or engineer, as appropriate.
   b. Additional design information or documents that the Institute elects to include.

**Design Services**
Architect services, engineer services or landscape architect services.

**Digital Mailroom (DMR)**
The function used to transform paper invoices into a digital format for submission to Rensselaer. The Digital Mailroom is integrated with the Institute’s e-Procurement system (Jaggaer/OSCAR).

**Emergency**
A sudden, unexpected situation that endangers lives, property, or the continuation of vital programs and that requires immediate, on-the-spot procurements of equipment, materials, supplies, or services to minimize loss to persons, property, and/or financial resources. An emergency IS NOT a potential or probable delay caused by improper planning.

**Employee**
An individual who is employed by Rensselaer wherein the Institute has the right to control and direct the individual with regard to the result to be accomplished and the process by which the result is accomplished. “Employee” also includes faculty.

**Engineer Services**
Those professional engineer services that are within the scope of engineering practice.

**Fabricated Equipment**
Fabrications are planned construction of a moveable unit of property using multiple parts which when constructed will have useful life exceeding one year and whose budgeted
costs exceeds $3,000. This differs slightly from the multiple pieces defined as Capital Equipment. In this case, parts are being assembled to create one piece of usable equipment. For Capital Equipment, the pieces of equipment can function on their own, but when put together create a unit.

**Federal Debarred List**
The federal Suspension and Debarment process protects the federal government from fraud, waste and abuse by using a number of tools to avoid doing business with non-responsible contractors. Suspensions, Proposals for Debarment, and Debarments are the most widely known tools as these actions are visible to the public via the System for Award Management (SAM). A supplier’s name will be published on as ineligible on the SAM, a GSA administered website (www.sam.gov). The suspension is effective through the Executive Branch of the federal government and applies to procurement and non-procurement programs.

**F.O.B.**
Free on board. A shipping term defining the point at which title to goods passes from the seller to the buyer. It is used when establishing responsibility for filing damage claims with the carrier.

**Funding-Out Clause**
A clause in an installment contract that allows the Institute to terminate a contract without penalty if funds are not appropriated for the purpose stated in the contract.

**Gifts, Gratuities and Favors**
The use of property or facilities, gift certificates, entertainment, or other items of value extended to Rensselaer employees, including faculty, staff, student employees, suppliers, and members of the President’s Cabinet, or their families, subcontractors or consultants.

**GSA**
The General Services Administration of the federal government.

**Hosted Catalog**
A supplier catalog in the Rensselaer Marketplace in which the supplier’s product offerings are hosted and maintained by Rensselaer. The user builds his or her cart within the catalog in OSCAR and the order follows appropriate approval workflow.

**HUBZone Small Business (HUBZoneSB)**
A small business that is located in a "historically underutilized business zone" (HUBZone), is owned and controlled by one or more US citizens and at least 35% of its employees reside in a HUBZone. A HUBZoneSB must be certified by the SBA.

**Indemnify**
Hold the other party to a contract harmless from penalty.

**Independent Contractor**
An individual or entity retained to provide services, which the Institute has the right to establish the scope of services to be performed, but not the process by which the results are accomplished. Such individuals and entities are engaged in the pursuit of an independent trade, business, or profession in which they offer their services to the public.

**Installment Contract**
An agreement that requires specific performance by one or both parties at predetermined intervals and is commonly used for payment in specific increments over a specific period. (Title to goods passes to the buyer upon final payment.)
Invited Guest
A person who enters a campus for an educational, research, or public service activity, and not primarily to purchase or receive goods or services not related to the educational, research, or public service activities of the university.

Invoice
A commercial instrument issued by a supplier to Rensselaer that lists, describes, and quantifies the items sold, shows the date of the shipment and mode of transport, prices and discounts (if any), and delivery and payment terms. The supplier’s invoice becomes the Invoice Document in OSCAR that is reviewed and approved by the Department that has received the goods or services and is then processed by Accounts Payable for payment to the supplier.

Invoice Document
The term in OSCAR for the supplier’s invoice that is reviewed and approved by the Department that has received the goods or services invoiced and is then processed by Accounts Payable for payment to the supplier.

Jaggaer
The Institute’s procure-to-pay provider of the software-as-a-service (SaaS) platform for end to end e-Procurement and payables. See OSCAR.

Job-Order-Contracting
A project delivery method in which:
   1. The contract is a requirements contract for indefinite quantities of construction.
   2. The construction to be performed is specified in job orders issued during the contract.
   3. Finance services, maintenance services, operations services, preconstruction services, design services, and other related services may be included.

Kickback
Any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind that is provided, directly or indirectly, to any prime contractor, prime contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a contract.

Laboratory Chemical
Any solid, powder, liquid or gas that presents a physical hazard or health hazard and/or for which a Chemical Abstract Service (CAS) nomenclature exists. Note: Consumer products (office suppliers, consumer/household cleaners, etc.) that are to be used in the same manner and with the same frequency and duration of use as a normal consumer would utilize them do not need to be included in this process. Contact the Department of Environmental Health, Safety and Risk Management if you have any questions concerning a specific chemical or product mixture.

Lease
An agreement for the right to use property for a specified period at a specified cost. Title remains with the lessor. At no time does the lessee build equity in the property.

Lease/Purchase
An agreement for the right to use property for a specified period at a specified cost. During the term of the lease, the lessee builds equity at a specified rate so that at the end of the lease period, the lessee has the option of purchasing the property at a specified amount.
Title to the property remains with the lessor until the lessee exercises the option to purchase.

**Master Agreement**

Typically a multi-year contract outlining specific goods and/or services as well as the agreed upon or negotiated pricing between Rensselaer and a particular supplier. The business unit responsible for the administration of the Master Agreement begins the process to establish a purchase order for the initial term of the Agreement, usually commensurate with Rensselaer’s fiscal year cycle. Once the purchase order, supported by the Master Agreement, is issued to the supplier, the supplier will invoice Rensselaer against said purchase order. Procurement Services reserves the right to determine whether to issue a purchase order or a blanket order in support of the Master Agreement, depending on the nature of the purchases to be made thereunder.

**Minority-Owned Small Business/Minority Business Enterprise (MOSB/MBE)**

A business enterprise, including a sole proprietorship, partnership, limited liability company or corporation that is at least 51% owned by one or more minority group members, and in which such minority ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise.

**Non-catalog Purchase Order**

A purchase order that is not placed through one of the supplier catalogs in the Rensselaer Marketplace. A non-catalog purchase order is processed by either a Sourcing Agent or Sourcing Manager in Procurement Services.

**Personal Services**

A subcategory of services performed by an individual or organization for a specific study, project, or task with performance criteria dependent upon the expertise of the individual or organization.

**Plant**

In accounting terminology, “property, plant and equipment” traditionally refers to industrial or agricultural assets utilized for manufacturing/production (such as a foundry or workshop).

**PO**

Purchase Order (see definition below).

**PR**

Purchase Request or Purchase Requisition (see definition below).

**Preferred Supplier**

A Preferred Supplier is a Certified Supplier for which a strategically sourced central contract is in place with price controls and additional favorable terms to the Institute, such as service level and quality commitments. While competitive bidding is always encouraged, individual purchases from Preferred Suppliers with catalogs available in the Rensselaer Marketplace do not require competitive bidding. Wherever applicable, purchases should be directed to Preferred Suppliers to aggregate Rensselaer’s spend and optimize value to the Institute.

**Professional Services**

A subcategory of personal services requiring a high degree of knowledge and training. Frequently, the individual or organization providing the service(s) is professionally licensed.
Proposal
An offer from a supplier to provide goods and/or services falling within general guidelines enumerated in a request for proposal issued by Rensselaer.

Proprietary Information
Information that is submitted by a supplier who claims exclusive ownership of that information and that is not to be disclosed publicly.

PunchOut Catalog
A supplier catalog in the Rensselaer Marketplace that enables the user to “punch out” to the supplier’s website online to build a shopping cart. The shopping cart is then routed back into OSCAR to follow appropriate approval workflow. The supplier maintains all product information and price files for the PunchOut catalog content.

Purchase Order
An order issued by Procurement Services (via OSCAR) for the procurement of goods and/or services that, when accepted by the supplier, becomes a contract. A purchase order encumbers funds upon issuance.

Purchase Request/Requisition
A request submitted by a Department that authorizes Procurement Services to contract with an outside supplier to purchase goods or services for the Institute and to charge the appropriate departmental area/organizational account for those goods and/or services. The request is made in OSCAR using the Requisition form. A purchase request creates a pre-encumbrance transaction. See also Requisition.

OSCAR (Online Shopping Cart At Rensselaer)
Rensselaer’s e-Procurement system. See also Jaggaer.

Real Property
Land and permanently affixed buildings and improvements.

Refurbishment/Restoration
Expenditure to rebuild (like new) a critical or material functional component that exceeds $3,000, extends the useful life of the unit of property beyond its current remaining useful life, and was incurred during the last 50% of the useful life.

Rensselaer Marketplace
The collection of hosted and PunchOut catalogs in OSCAR that are available for shopping to Rensselaer OSCAR users.

Request for Information (RFI)
A written document, issued formally by Procurement Services, typically during the project planning phase where product requirements, specifications, and purchase options cannot be clearly identified that requests written information about the capabilities of various suppliers. Normally it follows a format that can be used for comparative purposes.

Request for Proposal (RFP)
A written document, issued formally by Procurement Services, requesting pricing and a proposed method of accomplishing the objective for an item or service for which definitive specifications cannot be written and only the desired end result can be specified.

Request for Quote (RFQ)
A written document, typically issued formally by Procurement Services, used in soliciting price and delivery quotations that meet minimum quality specifications for a specific quantity of specific goods and/or services.
Requisition
The term and form in OSCAR that serves as the written request for goods and/or services to be purchased. See also Purchase Request/Requisition.

Responsible Bidder or Proposer
A person who has the capability, including necessary experience, to perform the contract requirements; who has the integrity and reliability which will ensure good faith performance and appropriate quality of the materials, services, construction or construction services, to be provided; and who is in compliance with any and all licensing requirements of the State of New York and/or Connecticut.

Responsive Bidder or Proposer
A person who submits a bid that conforms in all material respects to the invitation for bids or request for proposals.

Sales Tax
A tax imposed on the supplier for the privilege of doing business in New York and/or Connecticut that is passed on to the buyer.

Service Disabled Veteran Owned Small Business (SDVOSB)
A business that is 51 percent owned and controlled by a service disabled veteran. The service-disabled veteran must control the management and daily operations of the business and must hold the highest officer position in the SDVOSB. The disability must be a service-connected disability as determined by the Department of Veterans Affairs or the Department of Defense.

Service
A valuable action, deed, or effort performed to satisfy a need or to fulfill a demand.

Single Source
The term used to designate that, even though a product is available from various sources, it must, for specific reasons, be purchased from a specified supplier.

Small Business
A concern that is independently owned and operated, is not dominant in its field of operation, and (with its affiliates) meets the size standards set by the U.S. Small Business Administration.

Small Business – New York
In New York State, the definition of a small business for the purposes of Chapter 15 Economic Development Law, § 131 (Article 4-B Division for Small Business), “a small business shall be deemed to be one which is resident in this state, independently owned and operated, not dominant in its field and employs one hundred or less persons.” The State utilizes this definition to determine eligibility for the Small Business Environmental Ombudsman (SBEO) program, the annual New York State Small Business Awards, and other services or programs.

Small Business – Federal
A business that is independently owned and operated, is not dominant in the field of operations in which it is quoting on purchases, and, with its affiliates, does not exceed 500 full-time employees. (15 United States Code § 631 (1982 & West Supp. 1987).)

Small, Disadvantaged Business
Any small business that is at least 51 percent owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business,
at least 51 percent of the stock of which is owned by one or more socially and economically
disadvantaged individuals; and whose management and daily business operations are
controlled by one or more of such individuals.

**Disadvantaged Person**
An individual who is both socially and economically disadvantaged. Such an individual is
normally considered to be a minority.

**Socially Disadvantaged**
Socially disadvantaged individuals are those who have been subjected to racial or ethnic
prejudice or cultural bias because of their identity as a member of a group without regard
to their individual qualities. Such groups include, but are not limited to, black, Hispanic,
and native Americans (i.e., American Indians, Eskimos, Aleuts, and native Hawaiians);
Asian-Pacific Americans (i.e., U.S. citizens whose origins are from Japan, China, the
Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific,
Northern Marianas, Laos, Cambodia, and Taiwan); and other minorities; or any individuals
found to be disadvantaged pursuant to Section 8a of the Small Business Act, 15 United
States Code § 637(a) (1982).

**Economically Disadvantaged**
Economically disadvantaged individuals are those socially disadvantaged individuals
whose ability to compete in the free enterprise system has been impaired because of
diminished capital and credit opportunities as compared to others in the same business
area who are not socially disadvantaged. In determining the degree of diminished credit
and capital opportunities the Small Business Administration shall consider, but not be
limited to, the assets and net worth of such socially disadvantaged individuals.

**Small Women-Owned Business**
Any small business that is at least 51 percent owned by a woman or women, or in the
case of any publicly owned business, at least 51 percent of the stock of which is owned
by a woman or women; and whose management and daily business operations are
controlled by a woman or women.

**Sole Source**
The term used to designate that there is only one supplier capable of providing a particular
item or service (e.g., an item to match other items, a unique piece of equipment
manufactured by one company only, an original work of art).

**Solicitation**
An invitation to bid, request for proposal, or any other request for prices, including all
specifications, plans, and other supporting documents.

**Specifications**
Descriptive information used to procure specific goods or services that may include
performance, delivery requirements, physical characteristics, packaging requirements,
and operating parameters of goods.

**Subcontract**
Regarding the Small Business Program, means any agreement entered into that calls for
supplies and/or services required during the performance of the contract.

**Supplier**
An individual or firm outside of Rensselaer that sells goods or services.

**Trademark License**
A right to use a registered mark(s) on a commercial product or in a communications medium, e.g., television or newspaper advertising.

**Use Tax**
A tax imposed on the buyer for purchases made from out-of-state suppliers.

**vPay Purchase Order**
A type of purchase order issued by Procurement Services that provides a one-time use virtual credit card that is embedded on a fax purchase order from Rensselaer to the supplier. The virtual card is limited to the amount on the purchase order and is only valid to that supplier and for 30 days.

**Veteran Owned Small Business (VOSB)**
A business in which not less than 51 percent is owned by one or more veterans, or in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans.

**Woman-Owned Small Business/Woman-Owned Business Enterprise (WOSB/WBE)**
A business in which at least 51 percent is owned by one or more women or in the case of any publicly owned business, at least 51 percent of the stock is owned by one or more women. The management and daily business operations must be controlled by one or more women.

*Originated 7/18*
SECTION 1: GENERAL POLICIES

1.1 Code of Ethics

Purpose

To prescribe a code of conduct for all Rensselaer staff, faculty and students engaged or participating in the procurement process. This code is aligned with and similar to that used by the National Association of Educational Procurement (NAEP), an organization composed of college and university purchasing professionals.

Code of Ethics

Give first consideration to the objectives and policies of the Institute.

Strive to obtain the maximum value for each dollar of expenditure.

Decline all personal gifts or gratuities, other than those that do not exceed a nominal amount. (See also 1.7 Gifts, Gratuities and Favors from Suppliers.)

Grant all competitive suppliers equal consideration consistent with federal and state statutes as well as Rensselaer policy.

Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.

Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.

Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.

Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier.

Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.

Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.

Foster fair, ethical and legal trade practices.
1.2 Federal Guidelines

Purpose

To define the policy regarding compliance with Federal regulations applicable to the procurement of goods and services.

Policy

Please note: Effective December 26, 2014, new federal grants and funding amendments to existing federal grants are subject to 2 CFR Part 200 ("Uniform Guidance"). To assist with transitioning, the Office of Management and Budget has granted an extension to July 1, 2018 for implementation of Uniform Guidance procurement requirements. Therefore, between now and June 30, 2018, Rensselaer’s current procurement policy will remain in effect.

Rensselaer Polytechnic Institute must conform to the minimum procurement standards set forth in the Uniform Guidance 2 CFR 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards. Pursuant to the Correcting Amendment to continue the delay of the implementation date of the procurement standards in §§200.317 through 200.326 published in the Federal Register (FR Doc. 2017-09909) dated May 17, 2017, Rensselaer will continue to comply with the procurement standards in the Office of Management and Budget Circulars A-21 and A-110 in order to maintain its flow of Federal research funding. This notice is posted in accordance with the requirements set forth in §200.110 Effective/applicability date.

In addition, Rensselaer’s policies must be consistent with Federal Acquisition Regulations. These standards include provisions for:

- **Free and open competition to the maximum extent practicable**

Procurement Services is responsible for ensuring that qualified suppliers have an opportunity to bid on needed material and services. Procurement Services will help campus constituents identify sources when only one source is known. Free and open competition results in impartiality for both the buyer and the seller.

  o For acquisitions of $5,000 and above, a minimum of three (3) bids shall be obtained whenever possible.
  
  o For acquisitions smaller than $5,000, one (1) quote is required for purchase; however, Procurement Services reserves the right to obtain more quotes to ensure the lowest pricing.

- **Justification for non-competitive purchases**
Procurement Services is responsible for ensuring that campus constituents provide the rationale for sole/single source purchases. Further information is contained in Policy 2.4 Sole/Single Purchase and Policy 2.5 Bid Solicitation and Award.

- **Rationale for justifying pricing as fair and reasonable**

Procurement Services is responsible for documenting that prices paid are fair and reasonable. Determination of this can be done through various methods:

- Bidding
- State Contract Pricing
- Competitively bid Consortium Pricing
- Comparison to other suppliers providing similar products or services
- Comparison to a substantially similar item
- Educational discount provided by supplier to all educational institutions
- Adequate percentage discount from commercial list price
- Independent university estimates
- Market Price
- Pricing based on prior competition
- Sale of the same item to other educational purchasers
- Price Negotiations
- Any combination of the above methods

Whatever method is used for determining fair and reasonableness of pricing, it must be documented and retained with the purchase documentation.

- **Utilization of small, small disadvantaged, minority-owned, and woman-owned businesses and other diversity suppliers**

Procurement Services is responsible for ensuring that these types of businesses are given opportunities to bid on needed materials and services. Procurement Services will help identify and develop these sources.

- **Applicable Federal guidelines must be applied to all purchases regardless of source of funds**

Rensselaer will participate in all audits and will correct any deficiencies as required.

*Revised 3/02, 11/05, 6/06, 7/18*
*Reviewed 12/09, 2/11, 7/18*
1.3 Contractual Authority

Purpose

The ability to legally commit the Institute and enter into contracts on behalf of Rensselaer, including purchase orders, is limited in order to manage financial risk. The purpose of this policy is to define the authority responsible for legally committing the Institute contractually based on monetary thresholds.

Policy

As governed by the Institute’s by-laws, the President is authorized to direct the execution of any and all contracts, agreements, purchase orders and other documents obligating the Institute with respect to all matters and upon such terms and conditions as shall be deemed to be in the best interest of Rensselaer, in accordance with the following guidelines:

With respect to capital and other projects and initiatives qualified and approved by the Board of Trustees through the annual budget process or through specific project approval, without dollar limitation;

With respect to new initiatives and projects not previously approved by the Board of Trustees, the President may act singly provided that the commitment does not exceed $5,000,000;

The President, at her discretion, may further delegate authority to execute documents on behalf of Rensselaer Polytechnic Institute to Cabinet and/or Dean Council level positions and to other institutional positions, the responsibilities of which positions require such authority, as long as appropriate written policies and procedures are developed and reviewed periodically which will ensure an appropriate internal control framework is in place and maintained to safeguard institutional assets.

As authorized by the President, delegated levels of contractual authority are:

<table>
<thead>
<tr>
<th>Organization Level</th>
<th>Contractual Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provost</td>
<td>$300,000</td>
</tr>
<tr>
<td>Secretary and General Counsel</td>
<td>$300,000</td>
</tr>
<tr>
<td>Vice Presidents</td>
<td>$300,000</td>
</tr>
<tr>
<td>Chief Information Officer</td>
<td>$300,000</td>
</tr>
<tr>
<td>Assistant Vice President for Administration</td>
<td>$200,000</td>
</tr>
<tr>
<td>Director of Procurement Services</td>
<td>$100,000</td>
</tr>
<tr>
<td>Associate Director of Procurement Services</td>
<td>$50,000</td>
</tr>
<tr>
<td>Sourcing Manager, Procurement Services</td>
<td>$10,000 (Purchase orders only)</td>
</tr>
<tr>
<td>Executive Director of Rensselaer Technology Park</td>
<td>Without dollar limitation - Negotiation of Rensselaer</td>
</tr>
<tr>
<td>Role</td>
<td>Authority</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Executive Director, Office of Intellectual Property, Technology Transfer and New Ventures</td>
<td>Technology Park lease agreements only</td>
</tr>
<tr>
<td>Assistant Vice President of Research Administration and Finance</td>
<td>Without dollar limitation - Negotiation of license agreements only</td>
</tr>
<tr>
<td></td>
<td>Without dollar limitation - Negotiation of research contracts &amp; grant agreements only</td>
</tr>
</tbody>
</table>

- No other Rensselaer staff or faculty has contractual authority, and orders or contracts authorized by others are not valid and will not be honored.

**Procedure**

Any additional delegation of Contractual Authority will be coordinated through the Procurement Services Department for review and approval by the President.

*Revised 3/02, 8/02, 9/02, 11/03, 3/04, 10/05, 8/07, 12/09, 7/18*
1.4 Spending Authority

Purpose

To define the authority for approval of an expenditure.

Policy

Spending Authority is the ability to authorize the expenditure of funds in support of presidentially-approved performance plans and budgets. It is the authority that conveys the ability to request that funds be expended (i.e. authorize a purchase requisition). In general, Spending Authority is defined within the Procurement Policies and Procedures.

All requests must carry complete accounting information (Fund, Organization, Account, Program, Activity, and Location). A complete listing of account codes can be obtained from the Division of Finance, Office of Financial Planning and Budget.

Procedure

Delegation of Spending Authority, with dollar limits, is based on position level or type as follows:

<table>
<thead>
<tr>
<th>Organization Level</th>
<th>Expenditure Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrated Financial Management Staff</td>
<td>$10,000</td>
</tr>
<tr>
<td>Project Managers in Division of Administration</td>
<td>$25,000</td>
</tr>
<tr>
<td>Manager level positions</td>
<td>$10,000</td>
</tr>
<tr>
<td>Director level positions</td>
<td>$50,000</td>
</tr>
<tr>
<td>Assistant/Associate Vice Presidents</td>
<td>$100,000</td>
</tr>
<tr>
<td>Principal Investigators, including start-up funds</td>
<td>$100,000</td>
</tr>
<tr>
<td>Department Chairs</td>
<td>$100,000</td>
</tr>
<tr>
<td>Associate Deans (Academic)</td>
<td>$200,000</td>
</tr>
<tr>
<td>Vice Provosts</td>
<td>$200,000</td>
</tr>
<tr>
<td>Cabinet</td>
<td>$300,000</td>
</tr>
<tr>
<td>President</td>
<td>$5,000,000 (without dollar limitation – Board approved projects)</td>
</tr>
</tbody>
</table>

Delegation of Spending Authority above the stated limits is not allowed unless explicitly authorized by the President. The President or portfolio owners may limit or remove authority by position within their respective portfolios as warranted. The President or portfolio owners may delegate their authority to another portfolio owner in their absence.

**Authorization of spending against budget does not convey authority to execute legally binding contracts, including purchase orders, on behalf of Rensselaer.** Only individuals in
positions defined in Section 1.3 Contractual Authority have the authority to execute contracts, including purchase orders with outside suppliers.

*Revised 6/02, 9/02, 1/05, 6/06, 12/09, 7/18*
1.5 Capital Budget Expenditure

Purpose

To define the policy with regard to the expenditure of funds related to capital equipment and projects.

Policy

Capital Budget Expenditures are defined as the construction, renovation, purchase or lease of an asset (facilities, equipment, software) greater than $50,000 that has an expected useful life of at least one year. Capital Budget Expenditures that were not approved as part of the Institute’s Annual Capital Budget require that a Supplemental Capital Budget Expenditure Request be submitted through the Administration and Finance Portfolios and the President for approval.

Procedure

The Annual Capital Budget is developed based on submissions from departments to the portfolio owners. Portfolio owners submit to the Administration and Finance Divisions for approval. The Administration and Finance Divisions submit a proposed Capital Budget to the President and Board of Trustees for approval.

The Supplemental Capital Budget Expenditure Request is the method for approving unbudgeted projects and equipment totaling $50,000 or greater. Signatures on the Supplemental Capital Budget Expenditure Request represent full authorization to proceed with the project or equipment purchase. If the expenditure is listed in the approved capital budget, or a completed and approved Supplemental Capital Budget Expenditure Request accompanies the requisition, the Procurement Services Department is authorized to process a purchase order.

For research expenditures, the Capital Budget Research Expenditure Request (CRE) is the method for approving all projects and equipment totaling $50,000 or greater. Signatures on the CRE represent full authorization to proceed with the project or equipment purchase. Purposely splitting project costs into several requisitions to circumvent the capital budget process or delegation of authority requirements, Section 1.4 Spending Authority, will be considered a violation of policy. Offenders are potentially subject to disciplinary action, including loss of purchasing privileges.

Revised 3/02, 6/06, 12/09, 7/18
1.6 Sales Tax

Purpose

To define Rensselaer's sales tax exemption status.

Policy

Rensselaer Polytechnic Institute is exempt from paying sales tax in New York State on the basis of its not-for-profit status.

Sales tax exemption status may be applicable for purchases in other states.

Other taxes (room, city, use, etc.) are applicable, and Rensselaer is obligated to pay.

Procedure

Procurement Services has the current New York State Tax Exemption certificate on file, as well as active tax exemption certificates from other states. Procurement Services will provide the requisite certification to a supplier as an attachment to a purchase order, or as otherwise requested.

Contact the Procurement Services Department for information regarding other states in which Rensselaer has sales tax exemption status.

Revised 3/02, 6/06, 5/08, 12/09, 7/18
1.7 Gifts, Gratuities and Favors from Suppliers

Purpose

To establish protocols regarding the acceptance of gifts, gratuities and favors from suppliers.

Policy

It is Rensselaer's objective to award business to suppliers on the basis of such considerations as quality, services, pricing, and technical ability, and to avoid the appearance or actuality of impropriety in the receipt of personal gifts, gratuities, favors and/or kickbacks in connection with Rensselaer endeavors.

The solicitation or acceptance of personal gifts, gratuities, favors, or kickbacks in any form from any Rensselaer supplier or contractor is inconsistent with the above objective and is prohibited, except when it might be inappropriate or insulting to refuse the gift offered.

This policy is not intended to supersede the appropriate sections of the Rensselaer Faculty Handbook, which deals with developing and maintaining faculty consulting relationships nor the Human Resource Policy Guidelines concerning the right of exempt and non-exempt staff to do likewise provided there is no conflict of interest.

This policy is not intended to eliminate ethical activities such as business luncheons or the exchange of token mementos of nominal value. However, such activities should be kept to the minimum level necessary for maintaining effective business relationships.

Procedure

Every effort should be made to politely refuse all offers of gifts, gratuities, favors and/or kickbacks from suppliers.

On the occasion when it might be inappropriate or insulting to refuse a gift offered, the gift is to be accepted in the name of Rensselaer and reported to the applicable Vice President or Provost who will determine a suitable distribution. All gifts whose value may be in excess of $1,000 must be formally reported to the Divisional Vice President, Provost or the President.

Violations of this policy should be reported to the Vice President for Human Resources or his designee, who will work with the Secretary/General Counsel in conducting an investigation. Consistent with Rensselaer's policies, disciplinary action will depend upon the extent of or potential for damage to Rensselaer and can range from reprimand to termination of employment.

Questions about this policy interpretation should be addressed to the Division of Human Resources.
1.8 Employee Events/Gifts

Purpose

To define the guidelines for the use of Institute funds for employee events/gifts.

Policy

Employee events are social events/gatherings where Institute funds are used to promote a sense of community and recognize significant employee life events.

Institute funds can be used for social events/gatherings. **Federal and state funds cannot be used for these functions.**

It is suggested that personal funds be used whenever practical for the facilitation of employee events.

The value of any expense intended to personally benefit a specific employee is considered taxable. Employee taxable income is subject to adjustment in this event. If Institute funds are used to purchase stored value/gift cards for an individual employee benefit the amount will be considered taxable.

Prudent judgment is to be exercised any time the use of Institute funds is authorized.

Any gift considered to be excessive will not be reimbursed.

Procedure

All Institute expenditures must follow the requisition processing rules. See Section 3.1 Requisitions.

*Revised 05/06, 12/09, 7/18*
1.9 Supplier Diversity Policy

Purpose

To uphold the Institute's commitment to diversity by providing support for small businesses of all types, (i.e., Small Disadvantaged Business (SDB), Veteran Owned Small Business (VOSB), Service Disabled Veteran Owned Small Business (SDVOSB), Women-owned Business Enterprise (WBE), Minority-owned Business Enterprise (MBE), and HUBZone Small Business (HUBZoneSB)) and to provide the maximum practical opportunity for small businesses to participate in the procurement process as required by the policy of the United States.

Policy

All campus constituencies involved in the procurement process and/or decision-making are required to make an attempt to diversify sourcing opportunities to include small businesses regardless of the funding source. These suppliers will be given every opportunity and afforded the information required to bid on all requirements. The Institute will not favor any small business solely on the basis of their status. They will be evaluated using the same criteria, and adhere to the same parameters as all other suppliers. All procurement transactions will be awarded based on "best value" for the Institute.

Responsibilities

Any individual with procurement responsibilities has an obligation to maximize the opportunity for Small Business participation in the Institute’s procurement program. Small Businesses will be awarded the procurement transaction if they demonstrate their ability to service the Institute and have the expertise and buying power to be competitive for the selected commodities.

Procedures

Campus constituents are to include at least one sourcing opportunity to a small business in their bidding processes, when known. The New York State Minority & Women Owned Businesses Directory is an available resource to identify potential suppliers. In addition, the Procurement Services Department can be contacted for assistance in identifying other sourcing opportunities.

Procurement transactions processed by the Procurement Services Department will be reviewed by a Strategic Sourcing Manager for compliance. If necessary, additional sourcing opportunities will be extended to ensure compliance. The Strategic Sourcing Manager will document sourcing opportunities on the cost/price justification for procurement transactions exceeding $5,000.

The Procurement Services Department will develop known opportunities by meeting with small businesses in an effort to cultivate a relationship that is mutually beneficial.
1.10 Small Business Subcontracting Plan Policy (Federally Funded)

Purpose

To define Rensselaer’s responsibilities as required by the policy of the United States Public Law 95-507 and the Federal Acquisition Regulations (FAR) - Subpart 19.7 (Small Business Subcontracting Program). This policy is an expansion of, and works in conjunction with, the Supplier Diversity Policy 1.9.

Policy

In accordance with applicable federal policies, when responding to solicitations (Requests for Proposal (RFP), Requests for Quote (RFQ), and Requests for Information (RFI)) and negotiating contracts that offer subcontracting opportunities that are expected to exceed $700,000, Rensselaer will develop and submit subcontracting plans to the sponsoring agency.

Requirements

The policy of the United States Public Law 95-507, the Federal Acquisition Regulations (FAR) - Subpart 19.7, and 48 CFR 52.219-9 Small Business Subcontracting Plan, stipulates that when a federally funded contract exceeds $700,000, there are additional procurement requirements. At either the proposal stage or during the contract negotiation stage, supplies and/or services to be purchased must be described and spending goals with small businesses must be identified. After award, reports indicating progress toward the goals are required.

Responsibilities

Principal Investigator (PI):

- Prepare proposals and, if necessary, assist the Small Business Liaison Officer (SBLO) in the preparation of Small Business Subcontracting Plans
- Work with the Small Business Liaison Officer (SBLO) and Research Administration and Finance (RA&F) to establish spending goals with small businesses
- Maintain fiscal management of the contract
- Designate an individual to administer procurement activities under the contract, if desired, and notify Procurement Services in writing with that name
- Ensure goals are met and provide explanation if they are not

Department Business Managers:

- Understand Institute policy and procedures regarding procurements
- Prepare appropriate forms that apply to procurement activity
- Obtain appropriate authorizations (signatures) for expenditure of funds
Small Business Liaison Officer (SBLO):

- Ensure Supplier Diversity Policy is publicized
- Identify small businesses and maintain a supplier database
- Train Procurement staff and Institute requisitioners on policy, procedures and resources available
- Collect records from Strategic Sourcing Managers and Sourcing Agent on solicitations and awards made to small business suppliers
- Work with Principal Investigators (PI) and Research Administration and Finance (RA&F) to prepare and submit subcontracting plans
- Prepare reports to monitor progress against goals (periodically for internal use and as required to meet federal requirements)
- Keep apprised of all Federal Regulations and Small Business Administration requirements
- Develop potential new small businesses by attending trade shows and conferences
- Ensure new small businesses are aware of how to conduct business with the Institute
- Participate in compliance reviews by Federal agencies

Research Administration and Finance:

- Provide Small Business Liaison Officer with information regarding proposals and/or awards that are subject to this policy
- Review required subcontracting reports including progress toward goals
- Advise and assist Principal Investigators if progress is not being achieved
- Ensure that subcontracting plans and reports are obtained from subcontractors (entities that the Institute subcontracts with for a portion of the scope of work)
- Provide the Small Business Liaison Officer with the subcontractor subcontracting plans and reports when applicable

Procedures

In connection with a proposal submitted to, or a resultant award from, a Federal agency which exceeds $700,000, a subcontracting plan is required. This plan, which becomes a part of the resultant contract, must list the supplies and/or services to be purchased and specify spending goals with small businesses. The plan is a required item and failure to submit it may make Rensselaer ineligible for award of the contract. The Institute has developed a standard format that is used for subcontracting plan preparation that is consistent with the requirements set forth in FAR 19.7. Following award, Rensselaer must comply, in good faith, with the plan.

The Principal Investigator who is preparing the response to the agency’s RFP, must work with the Small Business Liaison Officer and Research Administration and Finance to develop spending goals for each category of small business. The Principal Investigator must share the non-personnel portion of the budget with the Small Business Liaison Officer. Together the Principal Investigator, Research Administration and Finance and the Small Business Liaison Officer will
analyze the requirements to determine what goods and services are potential candidates for small business supplier bidding. The Small Business Liaison Officer can provide source suggestions. The Principal Investigator, Research Administration and Finance and Small Business Liaison Officer must agree on the goals that are itemized in the plan. Federal agencies look for compliance with subcontracting plans submitted on previous contracts when making decisions on future awards. In addition, failure to comply with subcontracting plans could result in liquidated damage payments.

If a contract is awarded, Rensselaer is required to submit periodic reports regarding its progress toward meeting the goals as established in the subcontracting plan. There are two types of reports:

1. Subcontracting Report for Individual Contracts (entered online at https://www.esrs.gov) - >$700,000 - This form requires that actual dollars spent and the percentage achieved in each small business category be reported. A narrative must be provided if progress toward the goals falls below that which would be expected based on the period of contract performance. The frequency for this report is defined in each contract. When submitting the final report, an explanation must be provided if any of the goals were not met. For every active SF-294, an agency wide SF-295 is required.

2. Summary Subcontract Report (entered online at https://www.esrs.gov) - All Contracts - This form requires that actual dollars spent and the percentage achieved in each small business category be reported for all contract awards with that agency regardless of dollar amount (i.e. whether a subcontracting plan was required or not).

Collection of the spending data, preparation and issuance of the reports will be done by the Small Business Liaison Officer. The Principal Investigator will provide explanations if the goals are not being met.

The Assistant Vice President for Research Administration and Finance will review the reports and take action as necessary if subcontracting goals are not being met.

*Originated 12/05  
Revised 12/09, 3/11, 7/18*
1.11 Small Business Subcontracting Plan Policy (NYS Funded)

Purpose

To define Rensselaer’s responsibilities as required by the policy of the New York State Executive Law Article 15-A and the Official Compilation of Codes, Rules and Regulations of the State of New York, Title 5, Chapter XIV, Parts 140-142. This policy is an expansion of, and works in conjunction with, the Supplier Diversity Policy 1.9.

Policy

In accordance with applicable state policies, when responding to solicitations (Requests for Proposal (RFP), Requests for Quote (RFQ), and Requests for Information (RFI)) and negotiating contracts that offer subcontracting opportunities, Rensselaer will develop and submit subcontracting plans to the sponsoring agency.

Requirements

New York State established standards, criteria, and procedures by which State agencies, and institutions receiving State funding, set annual goals for direct and indirect contracting opportunities with certified Minority-owned Business Enterprises (MBE) and Woman-owned Business Enterprises (WBE), and the processes by which these master goal plans are submitted, including what information needs to be reports, and procedures and consequences for agencies and institutions that fail to meet their goals without a good faith effort to maximize contraction opportunities for certified enterprises. At either the proposal stage or during the contract negotiation stage, supplies and/or services to be purchased must be described and spending goals with MBE and WBE must be identified. After award, reports indicating progress toward the goals are required.

Responsibilities

Principal Investigator (PI):

- Prepare proposals and, if necessary, M/WBE Utilization Plans
- Work with the Small Business Liaison Officer (SBLO) and Research Administration and Finance (RA&F) to establish spending goals with certified M/WBE
- Maintain fiscal management of the contract
- Designate an individual to administer procurement activities under the contract, if desired, and notify Procurement Services in writing with that name
- Ensure goals are met and provide explanation if they are not

Department Business Managers:
• Understand Institute policy and procedures regarding procurements
• Prepare appropriate forms that apply to procurement activity
• Maintain records
• Obtain appropriate authorizations (signatures) for expenditure of funds

Small Business Liaison Officer (SBLO):

• Ensure Supplier Diversity Policy is distributed and publicized
• Identify M/WBE suppliers and maintain a supplier database
• Collect records from Strategic Sourcing Managers and Sourcing Agent on solicitations and awards made to M/WBE suppliers
• Work with Principal Investigators (PI) and Research Administration and Finance (RA&F) to prepare and submit M/WBE Utilization Plans
• Prepare reports to monitor progress against goals (periodically for internal use and as required to meet state requirements)
• Issue progress reports regarding goals to Principal Investigator, Vice President for Research and Director, Research Administration and Finance
• Keep apprised of all State and Federal Regulations and Small Business Administration requirements
• Develop potential new small businesses by attending trade shows and conferences
• Ensure new small businesses are aware of how to conduct business with the Institute
• Participate in compliance reviews by state agencies

Research Administration and Finance:

• Provide Small Business Liaison Officer with information regarding proposals and/or awards that are subject to this policy
• Review required subcontracting reports including progress toward goals
• Advise and assist Principal Investigators if progress is not being achieved
• Ensure that subcontracting plans and reports are obtained from subcontractors (entities that the Institute subcontracts with for a portion of the scope of work)
• Provide the Small Business Liaison Officer with the subcontractor M/WBE Utilization Plans and reports when applicable

Procedures

In connection with a proposal submitted to, or a resultant award from, a New York State agency, a M/WBE Utilization Plan is required. This plan, which becomes a part of the resultant contract, must list the supplies and/or services to be purchased and specify spending goals with M/WBE. The plan is a negotiable item and failure to submit it may make Rensselaer ineligible for award of the contract. The Institute prepares a M/WBE Utilization Plan in accordance with NYS requirements. Following award, Rensselaer must comply, in good faith, with the plan.
The Principal Investigator who is preparing the response to the agency's RFP, must work with the Small Business Liaison Officer and Research Administration & Finance to develop spending goals for MBE and WBE. The Principal Investigator must share the non-personnel portion of the budget with the Small Business Liaison Officer. Together the Principal Investigator, Research Administration & Finance and the Small Business Liaison Officer will analyze the requirements to determine what goods and services are potential candidates for small business supplier bidding. The Small Business Liaison Officer can provide source suggestions. The Principal Investigator, Research Administration & Finance and Small Business Liaison Officer must agree on the goals that are itemized in the plan. Failure to comply with utilization plans could result in an institution's ineligibility to submit a bid to any contracting State agency or be awarded any State contract for a period not to exceed one year following the final determination (first violation).

If a contract is awarded, Rensselaer is required to submit periodic reports regarding its progress toward meeting the goals as established in the M/WBE Utilization Plan.

*Originated 7/18*
SECTION 2: SUPPLIERS SECTION

In order to successfully do business with Rensselaer, eligible suppliers must receive a valid Rensselaer purchase order prior to the shipment of goods or commencement of services. The purchase order must be inclusive of the specific items and/or specific scope of work for services and the agreed upon price. Rensselaer’s purchase order shall be issued to the supplier only through Rensselaer’s Procurement Services Department and such purchase order shall contain any associated agreements and/or contracts signed by an authorized Rensselaer signatory. The Rensselaer purchase order incorporates Rensselaer’s General Terms and Conditions and contains the relevant Procurement Services’ contact information for the supplier.

Unless Procurement Services stipulates an alternative method, a purchase order the only legal means under which a supplier has the authority to ship or provide service and invoice for goods or services specified on the order.

2.1 Supplier Qualification

Purpose

To define the practice with regard to supplier qualification. Through its standard practices, Procurement Services contracts with suppliers through several sanctioned methods. All certified suppliers are available in OSCAR for requisitioning and payment.

Policy

Rensselaer will only conduct business with reputable and financially stable suppliers who are capable of providing the goods and services required. Suppliers must provide a Federal identification number or social security number and Small Business Administration categories must complete a certification form indicating demographics, business size, type, and classification.

When qualifying suppliers, the following criteria will be used:

- Past performance
- Adequate financial resources
- Quality of product or service
- Timeliness of performance
- Cost control
- Business practices
- Customer satisfaction (end user)

The Procurement Services Department may, at its discretion, obtain a Dun and Bradstreet (D&B) report to determine the financial stability of suppliers. The Procurement Services Department
may also request three (3) references from a supplier and/or financial statements for pre-qualification purposes. The Procurement Services Department will also work to develop new suppliers by inspecting products and facilities when appropriate to provide adequate qualification data. The expertise of the campus community will be utilized to ensure that suppliers can achieve technical requirements.

Rensselaer will select suppliers who offer the best value for the products and services purchased.

Rensselaer will provide maximum opportunity for all suppliers to participate in the procurement process and will work to develop opportunities for Small, Small Disadvantaged, Minority, Women-Owned, HUBZone, and Service Disabled Veteran-Owned businesses capable of providing the products and services needed by the Institute. In addition, Rensselaer will develop opportunities for businesses located in the City of Troy and alumni-owned businesses to compete for Rensselaer's business. Refer to Section 1.9 Supplier Diversity for additional information.

**Procedure**

The Procurement Services Department will collect and evaluate qualification criteria, including surveying the campus for purposes of obtaining data.

*Originated 7/03*
*Revised 6/06, 12/09, 7/18*
2.2 Supplier Certification

Purpose

To define the practice with regard to certifying that a supplier is capable of providing goods and/or services to the Institute.

Policy

All new suppliers must indicate business size, type, and classification during the certification process outlined below. The Procurement Services Department will ensure that suppliers do not appear in the U.S. Government Lists of Parties Excluded from Federal Procurement or Non-Procurement Programs (Federal Debarred List).

Rensselaer will employ techniques to develop small and small disadvantaged businesses capable of providing the products and services needed by the Institute. Refer to the Supplier Diversity Policy 1.9 for additional information.

Procedure

All requests to do business with new suppliers must be by requisition in OSCAR. Select “New Supplier” as the supplier on the requisition and include pertinent supplier contact information, including email address, if known, on the requisition.

Procurement Services will request that all new suppliers complete the Supplier Certification Form as well as submit a valid IRS Form W9. No business should be transacted with the new supplier until the supplier is certified by Procurement Services and a purchase order has been approved and issued.

Once certified, the information received from the new supplier will be entered into the Institute’s e-Procurement system (OSCAR) and the supplier will be available for further purchasing and payment.

Revised 3/02, 6/06, 12/09, 7/18
2.3 Rensselaer General Terms and Conditions

Purpose

As a supplier doing business with Rensselaer, it is important that you understand the terms and conditions associated with our relationship.

Policy

Rensselaer’s General Terms and Conditions are the Institute’s standard terms and conditions for the purchase of goods and/or services. Rensselaer’s standard purchase order, blanket order, and Master Agreement incorporate the General Terms and Conditions by reference. Negotiation of Rensselaer’s General Terms and Conditions for the purchase of goods and/or services is performed by Procurement Services staff and any changes thereto are approved in accordance with Institute policy and procedures.

Procedure

A current copy of Rensselaer’s General Terms and Conditions is available at http://www.rpi.edu/dept/purchasing/for_suppliers/info_for_suppliers.html.

Originated 7/18
2.4 Supplier Suspension

Purpose

To protect the integrity of Rensselaer’s bidding process and define the practice of suspending and/or removing suppliers from bidder’s lists.

Policy

Rensselaer may, at its discretion, suspend or remove a supplier from the solicitation process if any of the following causes occur on one or more purchase orders or contracts:

- Unsatisfactory performance (e.g., poor performance, delivery or default on one or more purchase orders or contracts, including any provision of contract terms for construction, service or commodities, including but not limited to over shipments, under shipments, providing damaged or defective goods, making unauthorized substitutions, billing errors, service deficiencies, or poor workmanship) unless the unsatisfactory performance is caused by acts beyond the control of the business, such as acts of God, acts of war, fires, or strikes.
- Failure to respond to three consecutive requests for bid.
- Conviction of the business or an officer or principal shareholder of the business for commission of a criminal offense in connection with obtaining, attempting to obtain or performing a contract or subcontract.
- Violation of anti-trust statutes relating to the submission of bids. Bankruptcy or pending bankruptcy of the supplier.
- Unethical practices or violation of Rensselaer's policies.
- Inclusion in the U.S. Government Lists of Parties Excluded from Federal Procurement or Non-Procurement Programs (Federal Debarred List).

Procedure

The Director of Procurement Services has the authority to suspend a business for cause from participating in Rensselaer's solicitation process. Written notification from the Director of Procurement Services must be sent to the suspended supplier stating the basis for the suspension, the supplier's rights to protest the action, and the condition/procedures required to be reinstated. The suspension shall be for a period of no less than six months but not to exceed three years.

In order for a supplier to modify or shorten the suspension period, supporting documentation must be submitted to the Procurement Services Department, including but not limited to:

- genuine change in ownership and management of the business
- elimination or mitigation of the cause for which the suspension was imposed
Upon termination or expiration of the suspension period, suppliers shall be eligible to participate in the bidding process. No written notice will be sent to the supplier unless the period has been shortened. If a supplier is suspended a second time for the same cause, permanent suspension will result.

Further steps required in instances of delivery or performance problems are as follows:

- It is the responsibility of the requesting individual experiencing dissatisfaction with the supplier performance to notify the Procurement Services Department of the complaint.
- The Procurement Services Department will review the facts through discussions with the requesting individual to determine the appropriate course of action.
- The requesting individual may be required to provide specific details and reasons for dissatisfaction in writing.
- The steps leading to suspension shall be as follows:
  - First offense — discussion with the supplier and/or a verbal warning.
  - Second offense — written warning signed by the Director of Procurement Services
  - Third offense — suspension
  - Rensselaer reserves the right to suspend a supplier immediately for egregious issues. If such issues can be resolved between the supplier and Rensselaer within a reasonable timeframe, the supplier may be reactivated.

Revised 3/02, 1/05, 12/09, 7/18
2.5 Supplier Invoicing

Purpose

As Rensselaer requires all purchasing to be done via Rensselaer-issued purchase orders (PO), invoices for such purchases will be tied to the original purchase order number once the goods have been shipped or services completed. This section outlines the process by which a supplier shall submit invoices to Rensselaer for payment.

Policy

All suppliers seeking payment for goods or services purchased by Rensselaer shall submit invoices for such goods and services to Rensselaer’s Digital Mailroom (DMR) in order to be paid. Suppliers with PunchOut catalogs in Rensselaer’s Marketplace are exempt from sending invoices to the DMR as they are electronically invoiced. In addition to invoices to be paid, credit memos are also processed via the DMR.

Procedure

All invoices must be sent to Rensselaer’s Digital Mailroom per the Bill To instructions on the Rensselaer purchase order. Invoices sent directly to Rensselaer or to a Rensselaer employee are subject to nonpayment.

Invoices must include the following in legible format:

- Rensselaer’s PO number
- Invoice number
- Invoice date
- Designated Rensselaer Employee
- An itemized invoice or credit memo

Originated 7/18
SECTION 3: PROCUREMENT PROCEDURES

3.1 Competitive Bid Threshold

Purpose

To establish the threshold at which purchase requests for goods and services must be competitively bid.

Policy

Competitive pricing is the accepted standard to follow to ensure that Rensselaer is obtaining goods and services at the best possible price with an appropriate level of quality. Competitive bidding will be conducted to the maximum extent practicable, as follows:

- Less than $5,000: The purchase of goods and services may be made directly from any preferred or certified supplier in OSCAR, or the purchaser may request that a new supplier be added to OSCAR if the goods and/or services are not available from a current supplier. However, the purchaser has an obligation to always secure reasonable prices on behalf of Rensselaer.
- $5,000 and greater: A minimum of two (2) written competitive quotations in addition to the quote desired to be used is required. Thus, it is recommended that a total of three (3) written quotations be obtained whenever possible.

The Institute’s bid threshold applies to purchases of a single good or service as well as to aggregate purchases. Artificially dividing purchases for the purpose of satisfying threshold amounts is prohibited.

Procedure

See Section 3.2 Bid Solicitation and Award, below.

Originated 7/18
3.2 Bid Solicitation and Award

Purpose

To provide the policy and guidance for the Institute’s solicitations of bids and awards.

Policy

Competitive pricing is the accepted standard to follow to ensure that Rensselaer is obtaining goods and services at the best possible price with an appropriate level of quality. Competitive bidding will be conducted to the maximum extent practicable, as follows:

- Less than $5,000: The purchase of goods and services may be made directly from any preferred or certified supplier in OSCAR, or the purchaser may request that a new supplier be added to OSCAR if the goods and/or services are not available from a current supplier. However, the purchaser has an obligation to always secure reasonable prices on behalf of Rensselaer.
- $5,000 and greater: A minimum of two (2) written competitive quotations in addition to the quote desired to be used is required. Thus, it is recommended that a total of three (3) written quotations be obtained whenever possible.

The Institute’s bid threshold applies to purchases of a single good or service as well as to aggregate purchases. Artificially dividing purchases for the purpose of satisfying threshold amounts is prohibited.

Procedure

Bid solicitation is a team effort between Procurement Services, the requesting individual, and suppliers.

It is the responsibility of the requesting individual to define the requirements regarding quantity, delivery dates, technical specifications and/or scope of work. Any supplier providing assistance in developing specifications, requirements, statement of work, invitations for bids and/or requests for proposals shall be excluded from competing from those competitions.

It is the responsibility of the Procurement Services Department to originate Requests for Proposals (RFPs), Requests for Quotes (RFQs), and Requests for Information (RFIs) and to maintain all documentation on cost, price and competitive information. In the event the requesting individual has already obtained competitive quotations, that information, along with company contacts and phone numbers, should accompany the requisition in the OSCAR e-Procurement system for review and evaluation by the Procurement Services Department.

The types of solicitation that can be used are:
• Request for Information (RFI)
• Request for Proposal (RFP)
• Request for Quote (RFQ)

Bid awards are based on the following Best Value criteria:

• Quality products and services
• Fair and reasonable pricing
• Consistent with Institute and Federal regulations
• Limit legal liability to Rensselaer
• Compliance and mitigate financial risk

Any and all bids may be rejected when it is in Rensselaer’s best interest to do so.

Exceptions from Bidding:

• State Contract Items: Items that can be purchased under New York State contract may at the discretion of the Procurement Services Department be exempt from competitive bidding requirements, since competitive bidding was conducted at the time the state contract was awarded.
• Competitively Bid Consortium Items: Items that can be purchased under a consortium may, at the discretion of the Procurement Services Department, be exempt from competitive bidding requirements since competitive bidding was conducted at the time the consortium contract was awarded. The Procurement Services Department will determine which consortia will be eligible for use by Rensselaer.
• Sole Source Purchases: If competition is determined to not be feasible due to the sole source nature of a commodity or supplier, and the order exceeds $5,000, a written justification is required at the time the requisition is submitted to the Procurement Services Department.

Refer to Section 3.3 Sole/Single Source Purchases for more information.

Revised 3/02, 1/05, 11/05, 05/09, 12/09, 7/18
3.3 Sole/Single Source Purchases

Purpose

To define sole and single source purchases and to outline the requirements for justification of a supplier as a single or sole source provider of a good or service.

Definitions

Sole Source: The term used to designate that there is only one supplier capable of providing a particular item or service (i.e. an item to match other items, a unique piece of equipment manufactured by one company only, or an original work of art).

Single Source: The term used to designate that even though a product is available from various sources, it must, for specific reasons, be purchased from a specified supplier.

Policy

Competitive bids will be obtained for the purchase of goods and services exceeding the Institute's bid threshold to the maximum extent practicable, unless one of the above definitions applies.

Procedure

For purchase requests $5,000 and above, requisitioners must substantiate the reason for a sole/single source purchase by completing the Sole/Single Source Justification form or other appropriate documentation justifying the purchase, which shall include a detailed written explanation acceptable to the Procurement Services Department. The written explanation must detail what steps were taken to determine no other sources were available. Additionally, the requestor needs to provide information as to why the product or service is unique.

A Strategic Sourcing Manager will work with the requestor to ensure the rationale meets Federal guidelines. This may include suggesting alternate suppliers or products, documenting price reasonableness, and soliciting competitive bids.

When adequate rationale for sole/single source purchases cannot be provided, the Procurement Services Department cannot process the requisition.

Revised 6/06, 12/09, 1/11, 7/18
3.4 Requisitions

Purpose

To provide guidelines for the proper completion of a requisition (a purchase request).

Policy

The purchase of all supplies, equipment and services not available from within the Institute must be processed on a requisition submitted via the OSCAR e-Procurement system to the Procurement Services Department.

Procedure

The requesting individual must complete the requisition in its entirety to assure clarity of information. All requisitions must be submitted through OSCAR. Based on the information that the requisitioner provides on the requisition, OSCAR will route the document through the approved Institute channels for processing by Procurement Services.

Include all required data as follows:

- Preferred or certified supplier, if unknown use "New Supplier" or "Bid Supplier"
- The date materials or services are required
- The commodity code of the item or service to be purchased
- The product location (a valid building and room number must be provided if ordering chemicals)
- The accounting information to be charged
- A clear description of the item being requested
- An estimate of the price
- Three (3) competitive quotes, obtained by the requesting individual, are required for requests exceeding $5,000. Procurement Services may assist the requesting individual in identifying certified suppliers to provide quotes.
- Single/Sole Source justification for requests greater than $5,000, where substitution of supplier/material is not available or acceptable
- Attach all appropriate backup documentation
- Special Approvers (see Section 4: Requisitions Requiring Special Approval for more information):
  - Asset Management (Property Administration)
  - Capital Equipment/Projects >$50k (Finance)
  - Capital Review (Administration)
  - Creative Services (Strategic Communications and External Relations)
  - Independent Contractor (Human Resources)
  - Laboratory Alcohol (EH&S)
- Laboratory Animals (Biotech)
- Non-Resident Alien/Foreign Company (Disbursement Operations)
- Laser, equipment that uses lasers, laser components (Environmental Health & Safety and Risk Management)
- Services – Insurance Required (Procurement Services, Environmental Health & Safety and Risk Management)
- Radioactive Material (Environmental Health & Safety and Risk Management)
- Research Administration and Finance (Research Administration and Finance)
- Lease (Financial Accounting)

Revised 1/10, 12/17, 7/18
3.5 Contractual Review Policy

Purpose

To define the process for Procurement Services’ review of contracts submitted with requisitions in OSCAR.

Responsibility

All Institute contracts are to be reviewed and negotiated by Procurement Services. For large scale projects or services requiring long lead times, consultation with Procurement Services before the requisition is submitted is encouraged.

Initial referral of contracts involving the Institute is as follows:

- All supplier or business contracts calling for procurement of goods or services for the Institute shall route initially to the Procurement Services Department via OSCAR. Procurement Services will coordinate any applicable review and approvals by other areas of the Institute, including but not limited to Risk Management, Export Control, and Information Security, as required.
- All sponsored research agreements, research consortium agreements or any other agreement which affects intellectual property rights of the Institute shall be initially reviewed by Research Administration and Finance, and then by the Office of Technology Commercialization if transfer or licensing of intellectual property rights are involved
- All Material Transfer Agreements and Nondisclosure Agreements shall be initially reviewed by Research Administration and Finance

Policy

Delegated levels of contractual review authority are as follows:

- The Procurement Services Department shall review, negotiate all contracts and execute contracts that do not exceed $100,000.
- The Procurement Services Department shall negotiate contracts in excess of $100,000, and will ensure the document is executed by the appropriate authorized Institute individual (See Section 1.3 Contractual Authority).
- Rensselaer contract templates should be used for independent contractors and construction related work. Any substantial deviation from accepted parameters will be approved by Rensselaer’s General Counsel.
- All construction procurement transactions in excess of $50,000 must be executed by contractual agreement between Rensselaer and the supplier and accompanied by a Rensselaer purchase order. Exceptions will be limited to emergency repairs.
Construction contracts in excess of $500,000 may require a bid bond and a performance bond from the contractor.

Rensselaer reserves the right, at any dollar limit, to require a bid bond and performance bond. This determination is made jointly by the requesting individual and the Procurement Services Department when the contract is high risk, or when any of the following conditions exist:

- Rensselaer property or funds are provided to the contractor for use in performing the contract or as partial compensation;
- A contractor sells assets or merges with another concern;
- Substantial progress payments are to be made prior to the completion of the contract;
- Contract is for dismantling, demolition or removal of improvements;
- Additional performance bond protection may be required when a contract price increases.

Research Administration and Finance may review, negotiate and execute research contracts and research grant agreements without dollar limitation.

Rensselaer’s General Counsel should review all contractual agreements that substantially deviate from Rensselaer’s General Terms and Conditions, and any agreements containing intellectual property terms, indemnification, limitation of liability, or export control language, or any term that creates a substantial deviation from accepted parameters.

**Procedure for Contracts Administered by Procurement Services**

Contracts, as submitted as part of a requisition in OSCAR, are initially reviewed by a Strategic Sourcing Manager. If the contract substantially differs from Rensselaer’s General Terms and Conditions, the Sourcing Manager shall work with legal counsel to negotiate with the supplier. If agreement is not reached between Rensselaer and the supplier, the Procurement Services Department may forward the agreement to Rensselaer’s General Counsel for a final recommendation.

All contract documentation shall be retained in OSCAR.

*Revised 11/05, 12/05, 6/06, 1/10, 7/18*
3.6 Purchase Orders and Contracts

Purpose

To define the general methods followed in the processing of orders by the Procurement Services Department to create purchase orders and/or contracts with supplier.

Policy

Only those individuals designated in the Section 1.3 Contractual Authority have the authority to enter into purchase contracts or in any way obligate Rensselaer Polytechnic Institute for the purchase of goods and services.

Unless Procurement Services stipulates an alternative method, a purchase order or contract is generally the only legal means under which a supplier has the authority to ship or provide service and invoice for goods or services specified on the order.

Procedure

- Requisition Review by Procurement Services
  - Does the requisition bear all the proper financial and special approvals?
  - Is the description complete and clear regarding specific requirements?
  - Are supporting documents attached?
  - Are there competitive quotes or a single/sole source justification by the requesting individual attached?

- Sourcing Assignments
  - The requisition is routed in OSCAR to the appropriate Strategic Sourcing Manager based on the commodity code selected by the requisitioner.
  - All requisitions under $2500 are routed to the Sourcing Agent.

- Requisition Processing
  - The Strategic Sourcing Manager or Sourcing Agent will review the requisition and determine the necessary action.
  - Only the Sourcing Managers or the Sourcing Agent in Procurement Services have authority to negotiate payment terms associated with a supplier.
  - Substitutions, price changes, contractual terms and anticipated delivery problems will be reviewed with the requesting individual and confirmed prior to order placement.
  - It is the Sourcing Manager's responsibility to justify pricing as fair and reasonable on all orders. The Sourcing Manager or Sourcing Agent will determine the appropriate shipping terms for a requisition.
o The Strategic Sourcing Manager or Sourcing Agent will approve the requisition to create a purchase order. Based on the dollar amount, it may require additional approvals.

o The purchase order number is assigned and the appropriate departmental funds are encumbered.

- Purchase Order Distribution

  o The purchase order will be routed electronically, via facsimile or email to the supplier.
  o Purchase order information can be tracked in OSCAR.

*Revised 3/02, 1/05, 6/06, 1/10, 7/18*
3.7 Shipping Terms

Purpose

To define the policy pertaining to shipping, freight terms and Ship-To Codes on Rensselaer purchase orders.

Policy

Only Procurement Services’ staff have the authority to negotiate shipping and freight terms.

F.O.B. Destination is the Institute standard, as it provides the most protection to the requesting department/school and to Rensselaer. Procurement Services will negotiate F.O.B. Destination into all purchase orders whenever possible. F.O.B. Destination means that legal ownership of the goods transfers when it reaches Rensselaer. Therefore, the supplier pays all shipping costs and is also responsible for the goods during transit. Rensselaer’s General Terms and Conditions, which are incorporated into every Rensselaer purchase order, reflect this standard. F.O.B. Origin, on the other hand, means that Rensselaer usually pays all shipping costs and legal ownership transfers to Rensselaer when the goods leave the supplier’s warehouse. As such, this can pose a great risk to the department/school and the Institute.

Each requisitioner is expected to select the appropriate “Ship To” code on each requisition. There is no ability in OSCAR to put a non-established “Ship To” location on a requisition. Shipments from suppliers shall be made to Rensselaer campus “Ship To” codes only.

Procedure

The Sourcing Manager or Sourcing Agent shall review the requisition in OSCAR and select F.O.B. Destination as the preferred freight term on the purchase order whenever possible. Should the supplier require an alternative term, the Sourcing Manager or Sourcing Agent shall negotiate the shipping term directly with the supplier.

The requisitioner shall select a Rensselaer “Ship To” code on each requisition. In the event that a Rensselaer campus “Ship To” location is not available as a code, the requisitioner should reach out to Procurement_Support@rpi.edu.

Originated 7/18
3.8 Master Agreements

Purpose

To define the policy and procedure pertaining to the creation and use of Master Agreements.

Definitions

A “Master Agreement” is an agreement with a supplier to purchase commodities or services of typically low dollar value, high volume, and repetitive activity. It is usually a multi-year contract outlining specific goods and/or services as well as the agreed upon or negotiated pricing between Rensselaer and a particular supplier. The business unit responsible for the administration of the Master Agreement begins the process to establish a purchase order for the initial term of the Agreement, usually commensurate with Rensselaer’s fiscal year cycle. Once the purchase order, supported by the Master Agreement, is issued to the supplier, the supplier will invoice Rensselaer against said purchase order. Procurement Services reserves the right to determine whether to issue a purchase order or a blanket order in support of the Master Agreement, depending on the nature of the purchases to be made thereunder.

Policy

The authority to establish Master Agreements lies only within the Procurement Services Department.

The Procurement Services Department will consolidate like commodities and services into a single Master Agreement with a supplier to the maximum extent possible without jeopardizing quality or delivery requirements.

Master Agreements shall be reviewed periodically to ensure the established pricing and terms are fair and reasonable. Additionally, the Master Agreements may be audited periodically for compliance with their stated terms and conditions by the Procurement Services Department.

Procedure

In collaboration with Institute stakeholders, the Sourcing Managers in the Procurement Services Department shall periodically assess and initiate projects based on supplier and commodity spend analysis to generate Master Agreements. Stakeholders of existing Master Agreements that are expiring shall notify Procurement Services of their intent to renew or allow the Agreement to expire.

Originated 7/18
3.9 Blanket Orders

Purpose

To define the term "Blanket Order" and the policy and procedure pertaining to its creation and use.

Definition

A “Blanket Order” is a type of purchase order for a specified period between Rensselaer and supplier to furnish the commodities specified in the order on a periodic or sporadic release basis and, generally, at predetermined prices. A blanket order does not encumber funds and is issued exclusively pursuant to the determination of Procurement Services.

Policy

The authority to establish Blanket Orders lies only within the Procurement Services Department.

Blanket Orders shall be reviewed periodically in tandem with their associated Master Agreement or Master Pricing Agreement to ensure the established pricing and terms are fair and reasonable.

Procedure

- Identification
  - Procurement Services will identify Blanket Order opportunities based upon Institute activity.
  - A department can request a Blanket Order in accordance with the above definition. Procurement Services will in turn review such requests in accordance with but not limited to the following:
    - Supplier volume - past, current and anticipated dollar volume and frequency of use.
    - Similar order existence - ascertain whether another department(s) has a similar need and/or if an order already exists with which this request could be combined.
    - If the request is found to be valid, Procurement Services will select a supplier as per Section 3.2 Bid Solicitation and Award and create a Blanket Order.

- Blanket Order processing
  - The requesting department must submit a requisition through OSCAR.
  - Blanket Order information will be entered into Contract Manager in OSCAR and a Blanket Order number is assigned by a Strategic Sourcing Manager in Procurement
Services. (At this time, the Blanket Order may also be referred to as a “Contract” in OSCAR to which invoice owners will tie invoices and, consequently, decrement budgets.)

- The Blanket Order does not commit the Institute to expend funds or encumber funds. An estimated annual dollar amount is determined for the order.
- As invoices are authorized and paid against the Blanket Order (or “Contract”) in OSCAR, departmental budgets are charged and the total order amount is decremented from the department budget.
- The Blanket Order has a termination date. Payment of invoices cannot be made if goods are received or services performed after the termination date.
- The Blanket Order is issued to the supplier by Procurement Services and signed by the appropriate signatory according to the Contractual Authority Policy.

Revised 3/02, 9/02, 7/04, 2/05, 6/06, 1/11, 7/18
3.10 Change Orders

Purpose
To define the method to be used to amend or cancel any open purchase order.

Policy
Only the Procurement Services Department is authorized to make any change to or cancel an open purchase order. Requests for changes or cancellations to open purchase orders should come from the purchase order owner in OSCAR and must be accompanied by the appropriate financial approval in accordance with Section 1.4 Spending Authority.

Procedure
The requesting individual must notify the Procurement Services Department via a comment on the purchase order to be amended stating the following information:

- Purchase order number
- Change(s) requested
- Justification as to any requested changes
- Approval must be provided, also via a comment on the purchase order to be amended, from an individual with Spending Authority for any monetary changes, including accounting changes

Having received the above information, the Procurement Services Department will review the proposed change and, if approved, will issue an official change order.

Cancellation of an open purchase order may result in restocking fees and/or other penalties that will be the responsibility of the requesting department.

Revised 3/02, 6/06, 1/10, 7/18
3.11 Contract Renewals and Cancellations

Purpose

To define the procedure used to renew or cancel existing purchase orders, Master Agreements, or blanket orders.

Policy

All contracts subject to renewal will be reviewed jointly by the Procurement Services Department and the requesting department prior to expiration to determine if the contract made via purchase order, Master Agreement or blanket purchase order should be renewed or cancelled.

There will be no automatic renewals.

Procedure

Prior to the expiration date of a contract, Contract Manager in OSCAR will generate an expiration notice that is sent to the stakeholder(s) associated with the purchase order, Master Agreement, or blanket order.

- Renewal
  - If the requesting individual opts to renew the order, a requisition must be submitted through OSCAR.
  - Upon receipt of the requisition, the Procurement Services Department will work with the requesting individual to review the requirements, quotations and/or contracts, and make the award.

- Non-Renewal/Cancellation
  - If the requesting individual opts not to renew the order, he/she must notify the Procurement Services Department in writing.
  - The Procurement Services Department will issue an order cancellation in writing to the supplier.

Revised 3/02, 6/06, 1/10, 7/18
3.12 Emergencies

Purpose

To define the procedure for purchasing goods and/or services on an emergency basis.

Policy

An emergency is a sudden, unexpected situation that endangers lives, property, or the continuation of vital programs and that requires immediate, on-the-spot procurements of equipment, materials, supplies, and/or services to minimize loss to persons, property, or financial resources. An emergency **IS NOT** a potential or probably delay caused by improper planning. In a legitimate emergency situation occurring before or after normal business hours, suppliers may be contacted verbally to proceed with required goods or services. In an emergency situation occurring during normal business hours, Department personnel shall make every effort to involve the Procurement Services Department in the transaction and the Procurement Services Department will make every effort to expeditiously accommodate the department’s need.

Procedure

If the Procurement Services Department office is closed, the requesting individual must obtain authorization to proceed with an emergency purchase from their respective member of Cabinet (the Assistant Vice President may also approve expenditures for the Administration Division).

The requesting individual must then submit a requisition along with a statement explaining the nature of the emergency situation the next working day. Procurement Services will process the order through OSCAR.

The following procedures shall apply for all emergency purchases:

- The requestor shall contact the supplier for the emergency goods or services.
- The requestor shall notify the Procurement Services Department as soon as reasonably practical.
- The Procurement Services Department is responsible for ensuring that emergency purchases are valid and properly justified.
- Authorization to proceed with an emergency purchase is dependent upon the justification submitted and, based upon expected expenditure, requires the following review:
  - Up to $10,000, the Strategic Sourcing Manager has the authority to place the order
  - $10,000 up to $50,000, the Associate Director of Procurement Services must authorize the order placement
  - $10,000 up to $100,000, the Director of Procurement Services must authorize the order placement
  - $10,000 up to $200,000, the Assistant Vice President for Administration must authorize the order placement
o >$100,000 up to $300,000, Vice President, Secretary and General Counsel, Chief Information Officer, or the Provost must authorize the order placement.
o >$300,000, the President must authorize the order placement.

- A completed requisition must be submitted in OSCAR as soon as reasonably practicable.
- A statement explaining the nature of the emergency situation must be included with the requisition. This statement must include a description of the purchase, a description of the emergency, and the circumstances leading up to the emergency.
- A Strategic Sourcing Manager will issue a purchase order to the supplier for the emergency purchase.

*Revised 3/02, 6/06, 1/10, 7/18*
3.13 Prepayments

Purpose

To define the procedure for processing purchase orders that require pre-payment, deposits, or other special payment terms.

Policy

Rensselaer will not pre-pay or make deposits for products or services not yet received unless the situation warrants such action as determined by the Procurement Services Department. Individuals outside of Procurement Services do not have the requisite authority to commit the Institute by negotiating such payment terms.

A Dun and Bradstreet (D&B) report to determine the financial stability of a supplier will be obtained by Procurement Services for those suppliers requiring significant (as determined by the Procurement Services Department) pre-payments, deposits, or other special payment terms.

A pre-payment, deposit or other special payment term must be included on the quote from the supplier to support the requirement.

Procedure

If the requesting individual states on the requisition that a pre-payment, deposit or other special payment term is required, supporting back-up from the supplier must be attached.

The preferred method of addressing appropriate requests for prepayment is for Procurement Services to issue a vPay purchase order through OSCAR.

If vPay is not an acceptable form of prepayment to the supplier, the requisitioner must obtain a pro-forma invoice from the supplier for the amount of the pre-payment, deposit or other special payment term. Procurement Services will process a purchase order. Once a purchase order is issued, the purchase order number should be included on the pro-forma invoice from the supplier and the invoice should then be sent to the Digital Mailroom for processing. The Invoice Owner will then assign the Invoice Document in OSCAR to him/herself, tie the Invoice Document to the purchase order, and approve the Invoice Document for payment by Accounts Payable. Accounts Payable will then approve the Invoice Document and process payment to the supplier, based on the supplier’s preferred payment method. Only Strategic Sourcing Managers or the Sourcing Agent shall negotiate pre-payment, deposit, or other special payment terms with suppliers.

Revised 3/02, 1/05, 6/06, 4/09, 7/18
3.14 Damages and Shortages

Purpose

To define the procedure for reporting the receipt of damaged goods or shortages.

Policy

All materials, supplies, and equipment delivered to Rensselaer must be inspected immediately upon receipt to determine the condition and completeness of the shipment.

The involved department should immediately notify the appropriate party as defined below in writing.

Procedure

The purchase order owner must report any damages or shortages to the supplier within five (5) business days of product delivery. If the purchase order owner’s needs are not addressed to his or her satisfaction by the supplier, then he or she should contact the Sourcing Agent or Sourcing Manager in Procurement Services who issued the purchase order. Procurement Services will facilitate the formal claim to the supplier when necessary.

It is extremely important to keep all containers, packaging materials, wrappers, and packing slips for possible inspection in making a claim.

Revised 3/02, 1/05, 6/06, 1/10, 7/18
3.15 Returns: Credits, Warranty Repairs, Non-Warranty Repairs

Purpose

To define the procedure relating to the return of material or equipment to a supplier for credit, exchange and/or repair.

Policy

To determine the procedure for Rensselaer-owned material or equipment to be returned to a supplier for credit exchange or repair.

The involved department should immediately notify the appropriate party as defined below in writing.

Procedure

For all purchases, the purchase order owner must report any claims to the Procurement Services Department. The Procurement Services Department will coordinate any claim with the supplier and/or the carrier.

The Strategic Sourcing Manager for the purchase order involved will assist the purchase order owner in obtaining a Return Material Authorization Number and any other special shipping or documentation instruction for all return shipments.

- Credits and Warranty Repairs

  - When returns are necessary, the purchase order owner should immediately notify the Procurement Services Department.

- Non-Warranty Repairs

  - These repairs should be treated as a new purchase requisition in OSCAR.
  - A purchase order will be issued to cover the cost of repairs in the exact amount, if known, or an estimated amount, not-to-exceed, if unknown.

Revised 3/02, 1/05, 6/06, 1/10, 7/18
3.16 Receiving/Invoicing

Purpose

To define the receiving process for purchase orders, blanket orders, and vPay purchase orders.

Policy

Receiving against a purchase order or blanket order is accomplished by the review and approval of an invoice in OSCAR.

Receiving is required on all purchase orders placed utilizing the vPay program as a vPay purchase order transmits a virtual credit card payment to the supplier upon issuance of the order. The receipt must tie to the vPay purchase order and show proof that the product was in fact received.

Procedure

Purchase Orders

- Upon receipt of goods or services, the requesting department shall review and process the invoice in OSCAR.
- If the order is partially received, an invoice may be processed for the amount received and invoiced. This process can be repeated until the order has been fully received.

Blanket Orders

- Invoices for blanket order suppliers must have the corresponding Contract tied to each line of the invoice in OSCAR. All current/active blanket orders are set up in OSCAR as Contracts.

vPay Purchase Orders

- Create a quantity receipt from the vPay purchase order. Partial receipts may be entered if there are multiple shipments. Proof of receipt of product or services must be attached.

Revised 3/02, 1/05, 6/06, 4/09, 1/10, 7/18
3.17 Direct Pay Requests

Purpose

To define the procedure for use and how to submit the Direct Pay Form in OSCAR.

Policy

See Finance’s Valid Direct Pay Requests.

Procedure

Submit the Direct Pay Form Request with all required attachments (what is to be paid, valid W9 if a new supplier will need to be set up for payment, etc.) in OSCAR. Detailed instructions on how to complete the Direct Pay form can be found here.

Revised 3/02, 6/06, 1/10, 6/10, 5/14, 12/15, 7/18
3.18 Personal Reimbursements

Purpose

To define the procedure for payment to Rensselaer employees and students for expenses associated with Institute business.

Policy

All personal reimbursement requests are subject to Institute policy and procedure (see Division of Finance Non-Travel Purchase Reimbursement Procedures) and required to be submitted through Concur. Prior to requesting reimbursement, employees and students should be aware of the following rules and requirements.

Procedure

Employees and students have the following options for personal reimbursement:

**Cash – reimbursement from Cashiers Office, Bursar**
1. Faculty and Staff can only be reimbursed in cash for items under $35
2. Students can be reimbursed in cash for items under $100, however, special rules apply.

Refer to the Cash Reimbursement Procedures found [here](#).

**Concur reimbursement request**

All other reimbursement requests must be processed through Concur and approved by the appropriate financial manager, supervisor, and, in most cases, Procurement Services.

The following goods and services may not be purchased out-of-pocket by an employee or students or on an Institute credit/debit card:

- Tuition costs
- Legal costs
- Personal items
- Services (unless authorized by Procurement Services prior to commencement of service)
- Medical costs (unless authorized by the Vice President for Human Resources)
- Maintenance and Lease Agreements
- Printing Services (unless authorized by the Vice President for SCER)
- Explosives
- Live Animals
- Non-reimbursable sponsored research items
- Chemicals, radioactive material, drugs, or alcohol
- Independent Contractors/Consultants
• Insurance  
• Computer software

In cases where exceptions are made, written approval by the appropriate department is required to be attached to the reimbursement request.

Procurement Services Approval Requirements for Allowable Out-of-Pocket Purchases

All items purchased out-of-pocket require some form of approval prior to the purchase. Individuals should first check with their department to make sure the purchase is appropriate from a business perspective and the monies are available for purchase. If approved within the department, the individual then needs to obtain approval from Procurement Services as to where the item should be purchased. Procurement Services will either require the items to be purchased from a supplier in the Rensselaer Marketplace or ordered on a PO, or Procurement Services will grant permission to purchase the item out-of-pocket. Individuals should be aware that Procurement Services’ approval is not an approval to buy the item; the approval is only for how the item should be purchased. Reimbursement approval should be obtained in the department prior to reaching out to Procurement Services. Items not approved in advance may not be reimbursed.

For Procurement Services’ approval, the following process should be followed:

• Requests should be submitted in OSCAR using the Personal Reimbursement Request Form
• Procurement Services’ approval of this Form is required prior to submitting a reimbursement request in Concur. Certain items will not require the Form (see below).
• When submitting the expense report in Concur, the approval email you receive from OSCAR approved by Procurement Services must be attached.

The following items do not require Procurement Services’ approval and can be purchased out-of-pocket with advance approval from your department:

• Advertising (Division of Human Resources only; approval is required for all others)
• Cell phone usage reimbursement
• Postage
• Subscriptions (excluding software subscriptions)
• Cookies, snacks, etc., to be provided at meetings, up to $100
• Memberships

Revised 3/02, 6/06, 1/10, 12/15, 6/16, 7/18
3.19 Credit/Debit Card Procedures

The Institute does not participate in a campus wide P-card program. Executive level individuals may be issued an Institute P-card, subject to the approval of the President.

Please reference the Division of Finance Credit/Debit Card Program for more information.

Revised 7/18
SECTION 4: REQUISITIONS REQUIRING SPECIAL APPROVAL

Each category in this Section 4 has a designated Special Approver in OSCAR that must be selected on the requisition for these designated types of purchases. Note: Special Approvals occur in one group after Financial Approvals in OSCAR workflow and before the requisition is assigned to Procurement Services.

4.1 Asset Management

Purpose

The Office of Property Administration (OPA) at Rensselaer is responsible for ensuring compliance with federal regulations and Institute policies governing the management of all capital equipment including its use, location, maintenance and disposition. The Asset Management Special Approver in OSCAR reviews purchase requests to ensure that assets (capital equipment and/or component equipment) are properly identified and appropriately coded for tracking purposes.

Definitions

*Capital Equipment* is any movable asset valued at $3,000 or more with a useful life of 1 year or more and not permanently affixed to a building.

*Fabricated Equipment* is multiple pieces which build an item of capital equipment valued at $3,000 or more with a useful life of 1 year or more and not permanently affixed to a building.

*Component Equipment* is an expenditure in excess of $1,000 which increases the value of the asset determined as a major functional betterment, an adaptation which must perform a new discrete/critical function of the asset or correct a material condition or defect.

Procedure

All purchase requests for capital equipment, fabricated equipment, or component equipment must select the Asset Management Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The requisitioner must provide the appropriate Account Code that relates to the type of equipment in the “FOAPAL and Dept Approver” section of the requisition. The Asset Management Special Approver will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

*Originated 7/18*
4.2 Capital Equipment/Projects > $50k (Finance)

Purpose

To define the policy with regard to the expenditure of funds, from a budgetary perspective, related to capital equipment and projects. Rensselaer’s Division of Finance is responsible for the review and approval of all Institute capital expenditures $50,000 and above.

Policy

Capital expenditures, for the purpose of purchasing approval, are defined as the construction, renovation, purchase or lease of an asset (facilities, equipment, software) that costs $50,000 or greater and has an expected useful life of at least one year. This includes major Capital Equipment costing $50,000 or more. A Capital Budget Expenditure Request is required for requested capital expenditures that are not part of the approved annual Capital Budget or that involve changes to previously approved capital projects that alter the purpose, funding source, or increase the portfolio’s overall approved Capital Budget allocation. (See Operating & Capital Budget Guidelines for more information.)

Procedure

All purchase requests for capital expenditures must select the Capital Equipment/Projects > $50k (Finance) Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The requisitioner must provide the appropriate Account Code that relates to the type of equipment in the “FOAPAL and Dept Approver” section of the requisition. The Capital Equipment/Projects >$50k (Finance) Special Approver will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

NOTE: When choosing this Special Approver, Capital Review (Administration) must also be selected.

Originated 7/18
4.3 Capital Review (Administration)

Purpose

To define the policy with regard to capital equipment and projects requiring fit-up. Rensselaer's Division of Administration is responsible for the review and approval of all Institute capital expenditures that require fit-up so that the physical space to house said capital equipment is appropriately prepared prior to its acquisition.

Policy

Capital expenditures, for the purpose of purchasing approval, are defined as the construction, renovation, purchase or lease of an asset (facilities, equipment, software) that costs $50,000 or greater and has an expected useful life of at least one year. This includes major Capital Equipment costing $50,000 or more. In addition, any equipment purchases that are less than $50,000 that require fit-up must also be reviewed by the Division of Administration.

Procedure

All purchase requests for capital expenditures must select the Capital Review (Administration) Special Approver on the requisition before the requisitioner approves the cart in OSCAR. Any equipment purchases that are less than $50,000 that require fit-up must also select this Special Approver. The requisitioner must provide the appropriate Account Code that relates to the type of equipment in the “FOAPAL and Dept Approver” section of the requisition. The Capital Review (Administration) Special Approver will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

NOTE: When choosing this Special Approver for capital expenditures over $50,000, Capital Equipment/Projects >$50k (Finance) must also be selected.

Originated 7/18
4.4 Creative Services

Purpose

To support the implementation of the Rensselaer Polytechnic Institute Brand in Action guide with regard to purchase requests for promotional products or creative services, including but not limited to, printing, video, design, and/or photography services. The Division of Strategic Communications and External Relations, through Creative Services, is responsible for the review and approval of all purchase requests for these services.

The Brand in Action guide details the Institute’s communications and marketing standards. It provides the framework for the use of consistent messaging to promulgate relevant and meaningful accomplishments, innovations, and expertise. The guide is intended to support all portfolios and people engaged in all aspects of communication regarding the Institute.

Policy

All purchase requests for promotional products or creative services, including but not limited to, printing, video, design, and/or photography services must be approved by the Department of Creative Services prior to the issuance of a purchase order.

Procedure

All purchase requests for promotional products or creative services, including but not limited to, printing, video, design, and/or photography services, must select the Creative Services Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The requisitioner must attach all relevant documentation from the service provider along with any requested logos, designs, marks, etc. The Creative Services Special Approver will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

Originated 7/18
4.5 Independent Contractor

Purpose

To set forth the procedure to determine whether an individual providing services to Rensselaer is an independent contractor, consultant or agency employee. The Division of Human Resources is responsible for the review and approval of all purchase requests for these services. See Rensselaer’s HR Policy Guidelines, section 300.2 “Independent Contractors, Consultants, and Agency Employees”.

Policy

It is the policy of Rensselaer to make determinations regarding whether an individual or entity is classified as an independent contractor/consultant or agency employee in accordance with federal and state laws and regulations.

All independent contractors, consultants and agency employees are expected to adhere to all relevant Institute policies, and are required to identify any relationships with Rensselaer Board of Trustees or Institute employees, in accordance with Rensselaer’s Financial Conflict of Interest and Commitment Policy.

Procedure

In order to execute a contract for services of an independent contractor or consultant, the hiring department must initiate a purchase requisition in OSCAR. The hiring department must complete and attach the following documentation to the requisition: the Independent Contractor Agreement, including a detailed description of the service to be performed; how long such services will be needed and whether other individuals are currently providing (or have provided) such services; and the HR Economic Realities Test along with evidence of the supplier’s self-employment (i.e. a screen shot of a webpage or a copy of a business card). The requisitioner must select the Independent Contractor Special Approver on the requisition before approving the cart in OSCAR. The Independent Contractor Special Approver, the Division of Human Resources, will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

If the individual is determined to be an employee, the Division of Human Resources will notify the hiring supervisor to follow the regular recruitment and selection process. The Division of Human Resources will facilitate that action.

Originated 7/18
4.6 Laboratory Alcohol

Purpose

To define the procedure to obtain Laboratory Alcohol, specifically Ethanol, Ethyl Alcohol and Spirits having a proof of 190 or more when drawn from bond (CAS# 64-17-5).

Policy

Procurement of laboratory alcohol requires Special Approval. The Department of Environmental Health, Safety, and Risk Management is responsible for the review and approval of all purchase requests for laboratory alcohol.

Procedure

All purchase requests for Laboratory Alcohol, specifically Ethanol, Ethyl Alcohol and Spirits having a proof of 190 or more when drawn from bond, must select the Laboratory Alcohol Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The Laboratory Alcohol Special Approver, Environmental Health, Safety, and Risk Management will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

Revised 10/04, 6/06, 2/10, 7/18
4.7 Laboratory Animals

Purpose

Rensselaer is responsible, under federal law, for the appropriate performance of all research and teaching activities that involve the use of vertebrate animals – mammals, fish, birds, amphibians and reptiles (Laboratory Animals). The National Institute of Health (NIH) Office of Laboratory Animal Welfare strictly regulates care and use of animals for research and teaching. Rensselaer’s Institutional Animal Care and Use Committee (IACUC) is responsible for ensuring the performance of appropriate animal husbandry and research procedures by all faculty, staff and students. IACUC is responsible for the review and approval of all purchase requests for laboratory animals.

Policy

Rensselaer’s IACUC reports to the Vice President for Research, who is the Rensselaer Institutional Official (IO) of record. Researchers must follow the guidelines described in the “Guide for the Care and Use of Laboratory Animals” (8th Edition). The IACUC supervises animal research and provides veterinary supervision and care. Rensselaer retains the services of a licensed veterinarian who is certified in the field of laboratory animal medicine. Rensselaer provides occupational health guidance and care for all researchers and staff.

Procedure

All purchase requests for Laboratory Animals must select the Laboratory Animals Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The Laboratory Animals Special Approver, a member of the IACUC, will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

Originated 7/18
4.8 Non-Resident Alien/Foreign Company

Purpose

To ensure that any purchase order or payment made to a Non-Resident Alien (those who are Non-US Citizens or not in Permanent Resident Status) or a Foreign Company is analyzed to determine appropriate tax reporting and withholding.

Policy

All purchase orders and payments made to foreign entities (those who are Non-US Citizens or not in Permanent Resident Status) such as students, suppliers, and performers must be reviewed by the Controller’s Office staff to determine appropriate tax reporting and withholding in the United States.

Procedure

When new suppliers are reviewed for purchase requisitions or payments, they are evaluated for Non-Resident Alien (NRA)/Foreign Company status. If deemed a potential NRA/Foreign Company, the supplier will be assigned a specific supplier classification in OSCAR at the time of supplier certification. This will route any purchase requisition or invoice to the Controller’s Office for review.

In addition, when processing an invoice to pay an NRA or Foreign Company, the Invoice Owner must provide a reason for the payment (i.e. type of service provided, paper/poster presentation, award, living allowance, etc.) in the Comment section of the Invoice Document in OSCAR to ensure that the payment can be reviewed quickly and accurately. If the Invoice Owner would like the NRA or Foreign Company to receive the total amount shown on the invoice, the Invoice Owner must “gross up” the payment. This will lead to a higher amount on the associated budget expense, but will allow the NRA or Foreign Company to collect the entire amount Rensselaer is awarding. This request to “gross up” should be made in the Internal Notes section on the Invoice Document in OSCAR.

Originated 7/18
4.9 Laser, equipment that uses lasers, laser components

Purpose

To define the procedure to obtain lasers or equipment with laser components.

Policy

The procurement of lasers, equipment that uses lasers, and/or laser components requires Special Approval. The Department of Environmental Health, Safety and Risk Management is responsible for the review and approval of all purchase requests for lasers, equipment that uses lasers, and/or laser components.

Procedure

All purchase request for lasers, specifically Class 3a, Class 3b, and Class 4, must select the Laser Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The Laser Special Approver, Environmental Health, Safety, and Risk Management, will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

Originated 7/18
4.10 Services – Insurance Required

Purpose

To define the insurance requirements for suppliers performing services for Rensselaer or providing transportation services for Rensselaer. Suppliers shall provide and maintain insurance to indemnify Rensselaer as provided below.

Policy

Before a purchase order is issued and any services can be performed on behalf of the Institute, evidence of current and valid insurance naming Rensselaer as an additional insured must be in the possession of the Procurement Services Department. Suppliers are not to commence work or services for Rensselaer prior to the submission of proof of adequate insurance and receipt of a Rensselaer purchase order.

All Supplier-provided insurance must be considered to be primary for allegations of negligence arising from the acts or performance of the Supplier in fulfilling any work order. Such insurance shall be demonstrated by providing a copy of certificates of insurance and insurance policies with endorsements naming Rensselaer as additional insured with first-party rights and benefits without contribution by Rensselaer or its insurance carriers. These certificates and policies or endorsements must be mailed or electronically transmitted to Rensselaer’s Procurement Services Department.

Standard Requirements:

Unless otherwise directed in writing, Rensselaer’s minimum insurance requirements are as follows:

1. Comprehensive General Liability: $2,000,000 per occurrence, $2,000,000 aggregate. High risk activities including but not limited to construction, transportation, or boat charters, may in the sole discretion of Rensselaer, require higher limits. Suppliers should consult Rensselaer Risk Management if services being provided could be considered high risk.

2. Comprehensive Automobile Liability: Supplier’s owned, non-owned, and hired autos are subject to a combined single limit of $1,000,000 for each occurrence for bodily injury and property damage. Rensselaer requires limits of $5,000,000 for any bus, charter, chauffeur or limousine services.

3. Statutory Workers’ Compensation: Insurance must be provided and maintained pursuant to the State of New York or the State of Connecticut (as appropriate to the Rensselaer campus ordering the service) and any other laws that may be applicable. This coverage is required for all Suppliers providing services to Rensselaer. Insurance from other states may be substituted by individuals who are residents of other states but working for Rensselaer on a temporary basis in New York or Connecticut.
4. Professional Liability: For licensed professionals providing services to Rensselaer: $2,000,000 per occurrence, $4,000,000 aggregate. Rensselaer not to be named as additional insured.

These minimum requirements of Rensselaer shall not limit the liability or responsibility of the Supplier. Rensselaer’s failure to enforce any contractual obligation of a Supplier shall not be considered to be a waiver of the requirement. Any changes to these requirements shall be enforceable only if made in writing by authorized signatories of both parties.

Procedure

All purchase requests for services must select the Services – Insurance Required Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The Services – Insurance Required Special Approver, Environmental Health, Safety, and Risk Management, will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

Purchase orders will contain the above provisions and the Procurement Services Department will ensure that the requirement is fulfilled before releasing the order.

For requirements or questions regarding insurance matters, contact Procurement Services or the Department of Health, Safety, and Risk Management.

Any exception to this Section 4.10 must be approved through either the Director of Risk Management or the Office of the General Counsel.

*Revised 3/02, 1/05, 6/06, 2/07, 1/10, 7/18*
4.11 Radioactive Material

Purpose

To define the procedure for obtaining radioactive material for laboratory, research and test usage.

Policy

All requisitions for radioactive materials must be approved by the Radiation Safety Officer prior to submission to the Procurement Services Department.

Radioactive materials must be purchased via a standard purchase order through OSCAR.

Procedure

All purchase requests for radioactive materials must select the Radioactive Material Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The Radioactive Special Approver, Environmental Health, Safety, and Risk Management’s Radiation Safety Officer, will verify the intended isotope purchase against licensing, training, dosimetry, and laboratory survey requirements. The Radiation Safety Officer will either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

All radioactive material shall be shipped to the following address to ensure proper inventory and handling:

Rensselaer Polytechnic Institute
Radiation Safety Officer
Cogswell Lab, Room 219
Troy, NY 12180
Attn: Principal Investigator Name & Location (building and room number)

Delivering Radioactive Material:

Upon receiving the radioactive material at Cogswell Lab, Room 219, EHS&RM will complete the Radioactive Material Receipt Form and notify the destination laboratory the package is ready for pick up.

Revised 3/02, 1/05, 6/06, 1/10, 7/18
4.12 Research Administration and Finance

Purpose

The Office of Research Administration and Finance (RAF) at Rensselaer is responsible for ensuring compliance with federal regulations and Institute policies governing the management of all capital equipment and component equipment charged to research funds. The Research Administration and Finance Special Approver in OSCAR reviews purchase requests to ensure that assets (capital equipment and/or component equipment) charged to research funds are allowable, allocable, properly identified and appropriately coded for tracking purposes.

Definitions

*Capital Equipment* is any movable asset valued at $3,000 or more with a useful life of 1 year or more and not permanently affixed to a building.

*Fabricated Equipment* is multiple pieces which build an item of capital equipment valued at $3,000 or more with a useful life of 1 year or more and not permanently affixed to a building.

*Component Equipment* is an expenditure in excess of $1,000 which increases the value of the asset determined as a major functional betterment, an adaptation which must perform a new discrete/critical function of the asset or correct a material condition or defect.

Policy

The procurement of assets requires Special Approval. When capital equipment and/or component equipment is purchased using research funds, Research Administration and Finance is responsible for the review and approval of all purchase requests.

Procedure

All purchase requests for Capital Equipment, Fabricated Equipment, or Component Equipment must select the Asset Management Special Approver on the requisition before the requisitioner approves the cart in OSCAR. The requisitioner must provide the appropriate Account Code that relates to the type of equipment in the “FOAPAL and Dept Approver” section of the requisition. When the equipment to be purchased is charged to a research Fund, the requisitioner must also select the “Research Administration and Finance” Special Approver. The Asset Management Special Approver and the Research Administration and Finance Special Approver will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

NOTE: When choosing this Special Approver, Asset Management must also be selected.
For requirements or questions regarding research equipment, contact Research Administration and Finance.

*Originated 7/18*
4.13 Lease

Purpose

The Finance Division, in coordination with the Administration Division, is responsible for the review and coordination of lease accounting and management on behalf of the Institute. All real estate leases are the responsibility of Administration. Portfolios should never individually enter into a real estate lease.

Policy

All requisitions for leases in which Rensselaer is being provided a right to control the use of identified property, plant, or equipment must be approved by the Finance Division prior to execution and issuance of a purchase order by Procurement Services.

Leases should be processed through OSCAR on a standard requisition form.

Procedure

Leases in which Rensselaer is a Lessee of property, plant, or equipment must be submitted in OSCAR as a requisition. The requisitioner must select “Leases” as a Special Approver. The requisitioner must attach the following documents:

1. A copy of the unsigned lease
2. Contact information for the Lessor
3. Documentation explaining why Rensselaer shall be a party to the lease
4. If the lease is over the bid threshold, the requisitioner must also attach benchmarking information to justify that the amount to be paid per month is comparable to similar property, plant, or equipment.

The Finance Division will review the requisition and either comment out to the requisitioner for additional information or approve the requisition. The requisition will move forward in workflow and proceed to the next approver.

Purchase orders will contain the above provisions and the Procurement Services Department will ensure that applicable requirements are fulfilled before releasing the order.

For requirements or questions regarding leases, contact the Finance Division.

Originated 7/18
Section 5: Special Procurements

5.1 Export Control

Purpose:
To comply with the Institute’s Export Control Compliance Program and federal law.

Policy:
Certain procurements must undergo review by Rensselaer’s Export Control Compliance Officer to ensure that items are properly classified under the Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR), and Office of Foreign Assets Control (OFAC) Regulations. Upon successful review of a procurement of this nature, the Compliance Officer will determine whether the procurement may proceed or whether a Technology Control Plan (TCP) is necessary.

Procedure:
Due to the complexity of determining accurate status of Rensselaer’s procurements, the Export Control Review Process is administered through the Procurement Services Department in conjunction with the Office of General Counsel. The status of this process will be updated via the Comments section of the Requisition document in OSCAR.

In order to successfully complete an export review in adherence to the Institute’s Compliance Plan, the end user and or requesting Department may be required to provide additional documentation pertaining to the item, the use of the item, and the individual(s) using the item.

Originated 7/18
5.2 Computers

Purpose
To define the policy for the purchase of computers for Rensselaer departments.

Policy
The Rensselaer Collegiate Store is considered the preferred supplier for purchases of computers. The Collegiate Store has established preferred supplier agreements through a competitive process which eliminates the need for additional competitive steps by the department acquiring the products. It is recommended that purchases of computers be acquired through the Collegiate Store.

Procedure
Contact the Collegiate Store at rpi@bkstr.com or (518) 276-6555 or online at http://www.bkstr.com/rpistore/home for consultations or quotes.

If the Collegiate Store is unable to satisfy the need, other options include utilization of a preferred supplier in the Rensselaer Marketplace in OSCAR or a purchase requisition to a certified supplier subject to these Procurement Policies and Procedures.

Revised 3/06, 1/10, 7/18
5.3 Chemicals

Purpose:

To ensure compliance with regulatory requirements when purchasing chemicals.

Policy:

Compliance with the Policies and Procedures established in Rensselaer’s Chemical Hygiene Plan.

Procedure:

- Orders are processed through the PunchOut catalog suppliers in the Rensselaer Marketplace in OSCAR.
- Laboratory chemical order requests from all other suppliers must be processed as a non-catalog purchase requisition through OSCAR.
- ALL chemical orders must identify the product location (building and room).

Pre-approved facility support chemicals such as cleaning supplies as well as those used in the boiler houses or the swimming pool are exempt from this policy.

For the purpose of Rensselaer’s receiving and tracking process, a Laboratory Chemical is defined as any solid, powder, liquid or gas that presents a physical hazard or health hazard and/or for which a Chemical Abstract Service (CAS) nomenclature exists. Note: Consumer products (office supplies, consumer/household cleaners etc.) that are to be used in the same manner and with the same frequency and duration of use as a normal consumer would utilize them do not need to be included in this process. Contact the Department of Environmental Health, Safety and Risk Management (DHS&RM) at extension 6427 if you have any questions concerning a specific chemical or product mixture.

When purchasing chemicals, request a Safety Data Sheet (SDS) sent to the requisitioner’s attention when the order is placed. Forward the SDS to:

Department of Environmental Health, Safety and Risk Management:
21 Union Street
2nd floor, Gurley Bldg.
Troy, NY 12180
Phone: 518-276-6427
Fax: 518-276-2512

The SDS must include:
- Name of department using material
- Location where material is to be used or stored
- Person responsible for the material

Retain a copy of the SDS in the department and in each individual laboratory. Request that the carton be marked "Controlled Substance," if applicable.

_Revised 11/04, 10/08, 1/10, 7/18_
5.4 Business Travel and Travel Agency

See Rensselaer’s Travel & Entertainment Policy.

Revised 3/02, 1/05, 1/10, 7/18
5.5 U.S. Customs Clearance

Purpose

To define the procedure to obtain customs clearance and expedite entry of goods into the United States from foreign countries.

Policy

All customs clearance activities for Rensselaer are to be coordinated by the Procurement Services Department.

Procedure

The Procurement Services Department will work with the supplier and the customs clearing company at the port of entry for all material and equipment purchases arriving from foreign countries.

A fee may be associated with entry that will be the responsibility of the requesting individual.

Revised 3/02, 1/05, 7/18
Reviewed 1/10, 7/18
5.6 Duty-Free Entry

Purpose

To define the procedure to obtain duty-free entry of material or equipment into the United States.

Policy

Foreign purchases made by Rensselaer are subject to government-imposed duty.

Instances where it can be demonstrated that there is no domestic equivalent for the material or equipment being purchased or that the material or equipment will be in the United States for a temporary period, Rensselaer will apply for a waiver of duty-fees.

Procedure

- The Procurement Services Department will coordinate the process in obtaining a waiver of duty fees.
- A United States Department of Commerce form that Procurement Services will obtain needs to be completed and reviewed by legal counsel in advance of shipment of the material or equipment to the United States.
- Supporting documentation is required, such as the purchase order, quotations and supplier descriptive literature.

This process is complex and can take three (3) months or longer to accomplish.

Revised 3/02, 1/05, 7/18
Reviewed 1/10, 7/18
5.7 Narcotics

Purpose

To define the procedure to obtain narcotics for laboratory use.

Policy

Procurement of narcotics for laboratory use requires a fully executed Drug Enforcement Administration (DEA) Form 222. It is the responsibility of the DEA registrant to adhere to all DEA regulations.

Narcotics must be ordered via a non-catalog purchase order through OSCAR with the registrant’s appropriate DEA documentation attached.

Procedure

Requisitions for narcotics for laboratory use must be submitted in OSCAR marked "Controlled Item" and be accompanied by the fully executed DEA Form 222.

Revised 3/02, 6/06, 2/10, 7/18
5.8 Hypodermic Syringes and Needles

Purpose

To define the procedure to obtain hypodermic syringes and needles for laboratory use.

Policy

The purchase of hypodermic syringes and needles is limited to those individuals holding a valid New York State Department of Health "Certificate of Need".

Hypodermic syringes and needles must be ordered via a non-catalog purchase order through OSCAR.

Procedure

Individuals holding a valid "Certificate of Need" must submit a requisition via the OSCAR e-Procurement System marked "Controlled Item", and attach a copy of the "Certificate of Need".

Revised 6/06, 1/10, 2/10, 7/18