

Guideline #15-01-2020: Small Purchase Procedure: \$0 - \$100,000

Updated July 2020, May 2021

1. **Purpose:** To provide clear direction and guidance for the acquisition of goods, services, construction, and insurance up to \$100,000 while ensuring compliance, when applicable, with:
 - The Rules Governing Procurement of Goods, Services, Insurance and Construction by a Public Institution of Higher Education of the Commonwealth of Virginia Governed by the Restructured Higher Education Financial and Administrative Operations Act (the Rules)
 - The Virginia Public Procurement Act (the VPPA) ; and
 - The Governor’s Executive Order 35 (EO 35) dated July 3, 2019.

2. **Background:**
 - a. Pursuant to University Policy 1500, *Delegation of Authority for Contract Approval*, the Vice President for Administration and Finance has delegated in writing expressed authority to the Department of Procurement Services (PS) to bind the University in certain administrative and financial matters related to the acquisition of goods, services construction, including formal contracts, blanket and term contracts, purchase orders, revenue contracts, and the contract modifications for same.

 - b. Pursuant to University Policy 1500, PS has delegated authority to campus eVA and PCARD users up to \$4,999, contingent on using either (i) contract vendors, or (ii) vendors that are SWaM certified via the Commonwealth’s Department of Small Business and Supplier Diversity (SBSD). The use of either a non-contract or non-SWaM certified vendor shall require written and approved sole source justification.

3. **Definitions:**
 - a. **A/E** shall mean those *professional* firms engaged in the scope of providing professional architectural and/or engineering services. ***Prior to engagement and use of A/E firm(s), the review and approval from Design and Construction or Facilities Management, as applicable, and Procurement Services shall be required.***

 - b. **Commonwealth** shall mean the Commonwealth of Virginia.

 - c. **Construction** shall mean building, altering, repairing, improving or demolishing any structure, building or highway, and any draining, dredging, excavation, grading or similar work upon real property. ***Prior contracting for construction services, the review and approval from Design and Construction or Facilities Management, as applicable, and Procurement Services shall be required.***

 - d. **CPSM** shall mean the Commonwealth’s Department of Engineering & Building’s *Construction and Professional Services Manual* that provides contracting building code and life safety guidance and requirements for professional AE design services and construction services.
https://dgs.virginia.gov/globalassets/business-units/bcom/documents/cpsm/cpsm-2020-rev-0_.pdf

- e. **Cooperative Contracts** shall mean contracts issued by other agencies and/or approved cooperative consortiums, e.g., DPS, E&I, U.S. Communities, VASCUPP, etc. ***Use of a Cooperative Contract is conditional and will require the review and approval of same by Procurement Services.***
- f. **DSBSD** shall mean the Department of Small Business and Supplier Diversity, the Commonwealth of Virginia's agency responsible for the administration of the Commonwealth's certification programs ensuring that only qualified Small, Woman and Minority-owned businesses (SWAM), including Micro-owned business, are properly certified to participate in the Commonwealth's procurement and contracting opportunities.
- g. **Emergency** shall mean an event or occurrence of a serious and urgent nature that demands immediate action in which (i) an immediate threat to the public health, safety or welfare is involved, or (ii) immediate action is required to protect or preserve public properties. ***In cases of an "emergency", the requirements of Procurement Services' Procedure #10-001 dated 03/01/2016, "Emergency Procurement Policy", shall be followed.*** <https://www.odu.edu/content/dam/odu/offices/procurement-services/docs/emergency-procurement-policy-03292012.pdf>
- h. **EO 35** shall mean the Governor's *Executive Order* that outlines initiatives for enhanced and expanded processes to continue the advancement of equity and inclusion related to small business contracting opportunities. <https://www.governor.virginia.gov/media/governorvirginiagov/executive-actions/EO-35-Advancing-Equity-for-Small-,-Women-,-Minority-,-and-Service-Disabled-Veteran-owned-Businesses-in-State-Contracting.pdf>
- i. **eVA** shall mean the Commonwealth of Virginia's online, electronic eProcurement Portal.
- j. **Goods** shall mean all material, equipment, supplies, printing, and automated data processing hardware and software.
- k. **IFB** shall mean the Invitation for Bids via the competitive sealed bidding process for goods, services, construction, or insurance when the anticipated cumulative dollar amount of expenditures for the one-time purchase and/or multiple purchases or term contract will exceed \$100,000.
- l. **Nonprofessional Services** shall mean any services not specifically identified as professional services in the definition of professional services.
- m. **PCard** shall mean purchasing cards that are issued by Procurement Services to eligible University departmental staff. These cards allow departments to make decentralized purchases up to their delegated authority more efficiently for allowable goods and services. ***All purchase transactions must comply with the guidance specified in above paragraph 2.b.*** <https://www.odu.edu/facultystaff/university-business/purchasing/purchasing-card>
- n. **Professional Services** shall mean work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering. "Professional services" shall also include the services of an economist procured by the State Corporation Commission.
- o. **Quick Quote** shall mean the small purchasing tool that may be accessed through eVA for solicitation of goods, services, insurance, and construction up to \$100,000.
- p. **RFP** shall mean the Request for Proposals via the competitive negotiation process for goods, services, construction, or insurance when the anticipated cumulative dollar amount of expenditures for the one-time purchase and/or multiple purchases or term contract will exceed \$100,000.
- q. **Rules** shall mean enacted legislation that the University follows for the procurement of goods, nonprofessional and professional services, as defined herein, excluding professional A/E services, and insurance. <http://leg1.state.va.us/cgi-bin/legp504.exe?081+ful+CHAP0824>

- r. **Services** shall mean any work performed by an independent contractor wherein the service rendered does not consist primarily of acquisition of equipment or materials, or the rental of equipment, materials and supplies.
- s. **Small purchases** shall mean the purchase(s) of goods, services, construction, or insurance when the anticipated cumulative dollar amount of expenditures for the one-time purchase and/or multiple purchases or term contract will not exceed \$100,000.
- t. **Sole Source** shall mean a determination made that supports there is only one source *practically available* that can provide the goods, services, construction, or insurance necessary and required. Sole Source determinations >\$5,000 shall (i) placed in writing and approved by associated Department Head and/or designee, and (ii) submitted to Procurement Services for review and execution prior to (a) requesting goods/services and/or entering into a contract with preferred vendor, or (b) receiving and accepting goods/services from preferred vendor. ***The final determination and approval of any and all Sole Source requests >\$5,000 shall be the sole discretion of Procurement Services.***
- u. **VPPA** shall mean the Virginia Public Procurement Act which is the enacted legislation that the University follows for the procurement of professional A/E services and construction services.
<https://law.lis.virginia.gov/vacodepopularnames/virginia-public-procurement-act/July 2020>

4. Guidelines for Competition:

a. **Goods and Non-Professional Services:**

- i. **Contract Purchases:** Regardless of dollar/expenditure amount, no additional competition is required for the purchase of goods and non-professional services on existing contract(s), e.g., ODU mandatory contract(s) or other Cooperative Contracts as defined herein.

ii. **Procurement Limits and Requirements:**

Unless the requested goods/services are specified under the *Exemptions from Competition* paragraph below, the guidance for procurement requirements for each of the specified limits are listed in descending priority/shall be considered the *order of precedence*:

1) \$0 - \$4,999:

- Use University contract vendor if available;
- If no University contract, use University approved cooperative contract as defined herein;
- If no University contract or approved cooperative contract available, use DSBSD certified Micro vendor. ***Note – If using certified Micro vendor, only one (1) quote is required.***
- *If allowable, use PCard. If not, enter requisition into eVA.*

2) \$5,000 - \$10,000:

- Use University contract vendor if available;
- If no University contract, use University approved cooperative contract as defined herein;
- If no University contract or approved cooperative contract available, use DSBSD certified Micro vendor. ***Note – If using certified Micro vendor, only one (1) quote is required.***
- *Create and submit requisition via eVA prior to issuance of order.*

3) \$10,000 - \$100,000:

- Use University contract vendor if available;
- If no University contract, use University approved cooperative contract as defined herein;
- If no University contract or approved cooperative contract available,

Procurement Services may initiate a solicitation process and award in accordance with *Executive Order 35*.

➤ *Create and submit requisition via eVA.*

4) Greater than \$100,000:

- Use University contract vendor if available;
- If no University contract, use University approved cooperative contract as defined herein;
- If no University contract or approved cooperative contract available, create and submit requisition via eVA;
- Procurement Services will initiate and issue a solicitation and award process.

b. Professional AE Services:

i. **Contract Purchases:** Procurement Services has established Professional AE Services term contracts for:

- Full AE Services; and
- Mechanical, Electrical and Plumbing AE Services.

ii. **Term Contract Services and Limits:**

- Each of the term contracts allows for Professional AE design and construction administration services.
- The use of any of the AE term contracts requires coordination for same through Procurement Services, and either Design & Construction or Facilities Management, as applicable.
- No competition of AE Services is required if:
 - The design fee is less than \$200,000; and
 - The estimated construction project costs are less than \$2,000,000.
- If either the design fee or the construction project cost exceeds the limits stated herein, Procurement Services shall initiate a formal competitive negotiation process for the Professional AE services via issuance of a Request for Proposals (“RFP”).

iii. **Non-Term Contract Purchases:**

- If it is determined that the required design services are outside of the experience and/or expertise of the Professional AE term contract vendors, selection of a Professional AE firm may be processed as follows:
 - Use of Procurement Services Procedure #11-016, *Selection Process for Professional A/E Services <\$80,000*, dated July 1, 2018; or
 - If it is anticipated that the fees to provide the Professional AE design and construction administration services will exceed \$80,000, Procurement Services shall initiate a formal competitive negotiation process for the Professional AE services via issuance of a Request for Proposals (“RFP”).

iv. **Compliance:** The selection processes and use of Professional AE firms are governed by the CPSM and VPPA, unless otherwise stated herein.

v. **Additional Information and Guidance:**

For additional guidance and information related to the purchase of Professional AE Services, please contact procurementservices@odu.edu.

c. Construction Services:

- i. **Contract Purchases:** Procurement Services has established an on-demand Skilled Trades term contract that includes:
 - approximately fifty (50) vendors that provide construction related services for both new and renovation projects;
 - Contractors that can provide casework buildout and installation, caulking and related repairs, electrical, general contracting, HVAC, painting, paver installation, and plumbing services.
 - The use of any of the Skilled Trades term contract vendors requires coordination for same through Procurement Services, and either Design & Construction or Facilities Management, as applicable.
 - New construction and/or construction related renovation projects are restricted to projects having estimated projects costs of <\$500,00.
- ii. **Non-Contract Purchases:** If it is determined that the required constructions services are outside of the experience, expertise and/or scope(s) of the Skilled Trades Contractors, Procurement Services may initiate Contractor selection process by following the guidance provided in above paragraph 4.a., Guidelines for Competition, Goods and Non-Professional Services.
- iii. **Compliance:** The selection processes for construction related services are governed by the CPSM and VPPA, unless otherwise stated herein.
- iv. Instructions on use of the Skilled Trades contract and various purchasing requirements and dollar thresholds for compliance with EO35 can be found at <https://www.odu.edu/content/dam/odu/offices/procurement-services/docs/instructions-for-skilled-trade-contract.pdf>
- v. **Additional Information and Guidance:**
For additional guidance and information related to the purchase of construction related services, please contact procurementservices@odu.edu.

5. *Exemptions from competition for certain transactions; limitations.*

- A. The following purchases are exempt from competition and prior to the acceptance/delivery of the requested good/services may be processed via use of eVA using the ***X02 PO Category:***
1. Academic and Research consulting services:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
 2. Academic testing and evaluation services:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
 3. Artists, performing artists, speakers, lecturers, writers, musicians, designers (e.g. set designers, musical design/composition, sound design artists), choreographers, photographers, and videographers:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.

- b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
4. Accreditation fees.
5. Advertisements in newspapers, magazines, journals, radio, television, social media, digital platforms, etc.
6. All individual or group travel, domestic and foreign, for individuals or groups including air, lodging, ground transportation, meals, and special services (e.g., currency exchange services).
7. Award of grants by agencies and institutions to public bodies or tax exempt non-profit charitable organizations. ***This exception does not apply to the expenditure of grant funds by agencies and institutions for the purchase of goods and/or services.***
8. Conference attendance, including conference registration, course fee, seminars fee, training fee, and tuition.
9. Conference hosting services, including space / facility rental, associated lodging & catering, audio visual support, and other conference related expenses which costs are offset by vendor sponsorships and / or conference attendee registration fees.
10. Contributions / donations / sponsorship made by a university.
11. Facilitators and Mediators:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
12. Fees associated with participation in athletic games, tournaments, and events including team travel, lodging, registration fees, tournament fees and game guarantees.
13. Goods or personal services for direct use by the recipients of programs specified in the Code of Virginia §2.2-4345, if the procurement is made for an individual recipient. Contracts and/or spot purchases for the bulk procurement of goods or services for the use of recipients shall not be exempted.
14. Government-to-Government purchases from other governmental sources, the Federal government, commonwealths/states and their agencies, academic institutions (public and private), public bodies, and non-profit organizations.
15. Honoraria, speakers and performing artists:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.

16. Medical (Health Care) Services provided by public and private hospitals, medical practices, medical clinics, and individuals that are licensed and authorized by law to engage in the prevention, diagnosis, or treatment of human illness, injury, physical disability, mental health, special needs, substance abuse, or emotional condition:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
17. Pass through procurements (examples include contracting for alumni functions for which the institution is reimbursed by the alumni and materials purchases for students by a faculty member using state funds and for which the students fully reimburse the institution).
18. Professional individual/organizational membership dues and training classes sponsored by the professional organizations when payment is made directly to the professional organization sponsoring the training classes. (***Vice President approval is required for processing individual/organizational membership dues***).
19. Purchase of goods or services that are produced or performed by or related to:
 - a. Persons, or in schools or workshops, under the supervision of the Virginia Department for the Blind and Vision Impaired;
 - b. Nonprofit sheltered workshops or other nonprofit organizations that offer transitional or supported employment services serving the handicapped;
 - c. Private educational institutions; or
 - d. Other public educational institutions.
20. Purchase of goods or services from individuals or vendors providing instructional services in conjunction with a contract between an institution of higher education, including community colleges, and a local business or industry for non-credit workforce development classes to be provided by the institution of higher education:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
21. Purchase of goods or services made by a university employee or agent while located in another country and the required goods/services are purchased from a vendor located in that country and the purchased goods/services will be used in the country where they are purchased.

22. Purchase of legal services, provided that the Office of the Attorney General has been consulted, or expert witnesses or other services associated with litigation or regulatory proceedings:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
 23. Real estate leases.
 24. Referees, officials, and umpires for athletic events:
 - a. If an Individual, the Independent Personal Services Certification (IPSC) form and associated process must be followed.
 - b. If a Vendor, the use of the Standard Engagement Agreement (SEA) will support scope of services and payment authorization request.
 25. Rental fees for exhibitions of historical artifacts or original works of arts. (The rental fee may include charges other than the rental of the exhibition, such as transportation costs).
 26. Revenue contracts, e.g., scrap, recycling or contracts with \$0 payment made by the Commonwealth, e.g., contracted out Bookstore, Food service operations.
 27. Royalties.
 28. State contracts for (i) United Parcel Service (UPS), #E194-79522, and (ii) MMCAP, #MMS18000, #MMS18016 and #MMS15001.
 29. Televised or radio programs (e.g., athletic events, televised conferences, etc.) whereby specific stations are selected because of market demographics.
 30. Training sessions, instructional services, and workshops.
 31. Utilities – electricity, natural gas, water, etc.
- B. The following purchases are exempt from competition and prior to the ordering/acceptance/delivery of the requested good/services shall be processed via use of eVA using the **R01 PO Category**:*
1. Equipment testing or evaluation (limited to purchases of quantities considered necessary for complete and adequate testing).
 2. Exhibition rental fees for exhibitions of historical artifacts or original works of art. (The rental fee may include charges other than the rental of the exhibition, such as transportation costs).
 3. Maintenance contracts for high-cost, sophisticated equipment where there is no known competitor and service must be purchased from the manufacturer of the equipment to maintain warranty.

4. Maintenance or upgrades of existing software already purchased.
 5. Print or electronic books and subscriptions, film rentals, videocassettes, DVD, slide presentations, online streaming, etc., when only available from the producer or protected distributors.
 6. Purchase of used equipment less than \$100,000.
- C. Emergency purchases, as defined herein, are exempt from competition and shall be processed in accordance with Procedure #10-01 dated 03/01/2016, "Emergency Procurement Policy", as follows:
- a. \$0 - \$4,999 – May be processed using a University PCARD or via eVA using the ***E01 PO Category***.
 - b. \$>\$4,999 – Shall be processed via eVA using the ***E01 PO Category***.
 - c. Regardless of expenditure amount appropriated documentation must be maintained on file.
- D. Sole Source purchases, as defined herein, competition and may be processed as follows:
- a. \$0 - \$4,999 – May be processed using a University PCARD or via eVA using the ***R01 PO Category***.
 - b. \$>\$4,999 – Shall be processed via eVA using the ***S01 PO Category and shall require prior approval and execution of the Sole Source justification form by Procurement Services***.