



THE UNIVERSITY OF TOLEDO

Procurement Manual

Purchasing Guidelines

For University Faculty and Staff Members

Table of Contents

Section	Page No.
1. Introduction	2
2. General Information	2
3. Purchasing Responsibilities Overview	2
4. Code of Conduct	3
5. Procurement of Goods and Services	4
6. Sole Source, economic or emergent justifications	7
7. Buying Preferences	8
8. Personal Purchases	10
9. Unauthorized Purchases	10
10. Tax Exempt Certificates	10
11. Purchase Orders via ERP system	10
12. Declaration of Material Assistance	11
13. Findings for Recovery	12
14. Bidding Procedures for Goods and Services	12
15. Lead time for Request for Information, Quote, or Proposals	14
16. Capital Equipment and Projects	15
17. Construction and Renovation Projects	15
18. Bonding	16
19. Time and Material Contracts	17
20. Receiving	17
21. Returns	18
22. Payment for Goods and Services	18
23. Payment requests sent directly to Accounts Payable (DIRECT PAY)	19
24. Contract Administration	20
25. Signing of contracts or purchase agreements	20
26. Supplier Management	21
27. Sustainability	21
28. Leasing	22
29. Equipment Trials/Product Evaluations	22
30. Surplus Property/Property Control	22
31. University Terms and Conditions	23
32. Record Retention	27
33. Definitions	28

1. Introduction

[Back to Top]

The purpose of this procurement manual is to facilitate and implement consistent purchasing and contract administration guidelines for all of The University of Toledo campuses, including the University of Toledo Medical Center (UTMC). All information provided follows the procurement guidelines of the Ohio Revised Code, the Ohio Administrative Code, and The University of Toledo's Board Resolutions and university policies.

The importance of proper Purchasing and Contract Administration activities to the overall success and fiscal responsibility of the University cannot be overemphasized. Since procurement activities are partially decentralized, obtaining goods and services through prudent acquisition practices add to the ultimate success of the University by ensuring quality goods and services are obtained at competitive prices. In addition, being a public institution receiving state funds, every reasonable effort must be made to ensure funds are used in a responsible manner.

This manual provides University faculty and staff with guidelines pertaining to procurement thresholds, signatory authority and responsibilities in the solicitation, receipt and evaluation of request for proposals, as well as the award and administration of agreements and purchase orders.

2. General Information

[Back to Top]

The Purchasing Services Department (Purchasing) administers procurement for the University in accordance with State of Ohio law and University policy. University annual purchases of goods and services exceed \$200 million per year, exclusive of construction projects. These purchases support the University's academic and research programs, auxiliary departments, UTMC and campus wide activities.

The Purchasing department has three locations to serve the University's procurement needs. Hours of operation are 8:00 a.m. to 5:00 p.m. Monday through Friday.

To obtain our staff listing, their respective commodities and location listing, please visit the Purchasing Department website at: <http://www.utoledo.edu/depts/purchasing>

3. Purchasing Responsibilities Overview

[Back to Top]

The following overview provides a general listing of Purchasing responsibilities and services provided for the University.

- 3.1 Purchasing is responsible for administering the procurement of equipment, goods, supplies and services required and authorized for use by the University, UTMC and any offsite affiliated locations.
- 3.2 Purchases of equipment, goods, supplies and services will be made from existing contracts with an emphasis on standardization where possible. (*see supplier information link on purchasing website*)
- 3.3 Purchasing will apply principles of value analysis to every purchase transaction to obtain the best quality for the price and delivery to meet desired time frames.
- 3.4 Purchasing will assist departments in finding the best supplier, product or service to meet their needs.

- 3.5 Purchasing will also make recommendations for alternative products or services, upon review of requisitions, if the procurement of such items would be in the best interest of the University to do so.
- 3.6 Purchasing has the responsibility to question any purchase commitment that could result in a conflict of interest.
- 3.7 Purchasing will maintain an accurate list of equipment, supply and service contracts. Contract Managers will notify customers of any changes to contracts, alerts to expiration and annual budget notifications for planning purposes. Contract Managers will also coordinate and facilitate access to new products, services, and technologies.
- 3.8 Purchasing is responsible for conducting a competitive bid process when the dollar thresholds for goods and services are met. Purchasing may also elect to conduct a competitive bid process for purchases below the thresholds when it would serve the best interests of the University.
- 3.9 Purchasing contract teams develop, negotiate and monitor compliance for goods and services agreements.
- 3.10 Purchasing ensures contract compliance by reviewing spend analytic reports on a quarterly basis. Identifies any department outliers and works with management to train and monitor future procurement activity.

4. Code of Conduct

[\[Back to Top\]](#)

4.1 Code of Ethics

In carrying out University procurement activities, the University faculty and staff must be above suspicion of unethical behavior at all times and under all circumstances. This requires strict adherence to a sound code of ethics.

It is the University's policy that all faculty and staff adhere and subscribe to the **Code of Ethics** as set forth by the Ohio Ethics Law. In addition, Purchasing follows these nationally known procurement organizations code of ethics:

- **Institute for Supply Chain Management (ISM)** <http://www.ism.ws/files/Tools/Principles.pdf> and the
- **National Association for Educational Procurement (NAEP)** http://www.naepnet.org/iMIS15_PROD/Public/About/GOVERNANCE_POLICY/CODE_OF_ETHICS/Public/Navigation_Items/About_NAEP/CODE_OF_ETHICS.aspx?hkey=c6a9ba90-6eed-4002-a22e-87470866cca6

Key standards of conduct include:

- Preventing appearance of impropriety
- Avoiding conflicts of interest
- Avoiding behaviors that may negatively influence procurement decisions
- Knowing and obeying laws and regulations
- Protecting confidential and proprietary information

- Maximizing value for each dollar of expenditure
- Conduct business with suppliers in good faith and with equal consideration as policies permit

It is University policy that all faculty and staff comply with all applicable federal, state and local laws, rules, and regulations while conducting University business.

Beyond legal compliance, all University employees are expected to observe high standards of business and personal ethics in the discharge of their assigned duties and responsibilities. This requires the practice of honesty and integrity in all aspects of dealing with other University employees, the public, the business community, customers, contractors, and governmental and regulatory authorities.

4.2 Conflict of Interest

Conflict of Interest is defined as any situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self interest and professional interest or public interest. [from *businessdictionary.com*]

Examples of conflicts of interest that may need to be disclosed when conducting procurement activities:

- Serving as a Member of Board of Trustees, Directors or Advisory Boards
- Having a personal investment or other financial interests with a supplier
- Earning royalties or engaged in product development consultancy
- Receiving funding, grants or contracts for research
- Receiving travel or personal expense support at educational conferences
- Receiving personal gifts of any value

Any actual or appearance of conflict of interest as described above and in the Ohio Ethics Law <http://www.ethics.ohio.gov/OhioEthicsLaw.html> should be avoided. If unsure of your situation, please contact the Office of Legal Affairs for assistance.

5. Procurement of Goods and Services	[Back to Top]
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It is the practice of the University that the award of contracts and purchase orders for materials, goods, equipment, services and construction be carefully controlled, both administratively and financially.

Purchasing has the authority and responsibility for procuring equipment, goods, and services within the University system. *Refer to University Procurement Policy 3364-40-15 (link).*

Fair and impartial consideration is given to all interested suppliers who can meet the University's requirements of quality, service, competitive price, innovativeness and technological capacities for advancing the University's mission.

Authorization to procure goods or services using University funds must be obtained by a person having signatory/fiscal responsibility for a department. Funding, whether sole or split funded, must be available prior to making any purchase. Purchases utilizing grant funding must follow all additional grant related guidelines.

Procurement Threshold Guideline:

5.1 Purchases under \$5000 (\$4999.99 and below) inclusive of freight and handling charges– non capital goods or services

The following procurement methods are listed in order of preference for conducting these low dollar threshold purchases:

- a. E-procurement websites as defined by the Purchasing department (*see purchasing website*)
- b. Purchasing card (P-card) where the P-card is accepted by supplier (*for information on the P-card, refer to Purchasing Card Policy 3364 XXXX*)
- c. Direct Pay purchase for limited list of approved expenditures (as defined in section for direct pays) when the P-card is not accepted by supplier
- d. University issued Purchase Order (PO) for all other purchases

■ **NOTE: P-card Exclusions:** the P-card cannot be used for the following general categories:

- Hospital inventory items
- Medical devices and small equipment
- Lab, research animals and human subject interests where protocol numbers are required
- Services, construction and renovation products whereby onsite work effort requires insurance liability and workers compensation certificate validation, terms and conditions review and detailed specifications to be followed
- Consulting contracts
- Service and Maintenance agreements for software/equipment

P-card Technology Purchases: Prior to any purchase of computers, printers, faxes, imaging devices, etc...please seek approval from the IT department to ensure the purchase is compatible with IT purchasing discounts, IT service and networking requirements.

** Purchasing must review and approve all documents containing contractual language to ensure compliance with University terms and conditions prior to department using the P-card for purchase/payment. Forward all documents to the appropriate contract manager of the good or service being procured. Please allow adequate time for the review.

5.2 Purchases of \$5000 - \$24,999 for capital equipment, goods and \$5000- \$49,999 for services

The following procurement methods are listed in order of preference for conducting transactions:

- a. Direct Pay purchase for limited list of approved expenditures as defined in section on direct pays.
- b. University issued Purchase Order (PO) for all other purchases

5.3 Competitive Bid Thresholds

The University Board of Trustee Resolution No. 08-10-26 located at <http://www.utoledo.edu/depts/purchasing/Pages/Resources.html> defines the competitive bid thresholds for procurement. When purchases of goods is greater than **\$25,000** or services greater than **\$50,000** from a single supplier annually, a competitive bid event must be administered by Purchasing.

Any other expenditure of University funds (including grant funds) not following the processes as listed above shall be considered unauthorized and may become the personal responsibility of the individual making the purchase.

Procurement utilizing grant or outside sponsored research funding may have additional restrictions based on Agency guidelines, rules and regulations. In order to be compliant, purchases from outside grants and sponsored projects will follow the most restrictive of the University procurement policies or the specific funding agency's guidelines and regulations. If there is uncertainty as to an allowable purchase, please visit the Grants Accounting website http://www.utoledo.edu/offices/controller/grants_accounting/ for contact information.

For information on procurement standards for grants utilizing federal funding as defined by the Office of Budget and Management (OBM), see Circular A-110. (sections 40 through 48)
http://www.whitehouse.gov/omb/circulars_a110#procurement

■ **NOTE:** Purchasing reserves the right to obtain competitive quotations for purchases below the established competitive bidding thresholds whenever it would best serve the interests of the University.

■ **NOTE:** Splitting of orders to avoid required competitive bid thresholds is **NOT** permissible. The appropriate competitive process will be followed to ensure the most cost effective procurement outcome for the department and University.

5.4 Competitive Bid Exceptions

The only purchases, which may be made without competitive bidding, are the following:

- Maintenance contracts purchased from the manufacturer or authorized dealer/supplier of the specific equipment to be serviced
- Purchases from other public agencies or group purchasing organizations where contracts have been established via a competitive bidding event
- Purchases as defined by the competitive bid waiver process – see Section 6.0

5.5 Purchases over \$500,000

The University Board of Trustee *Resolution No. 08-10-26* states it must approve all operating or capital equipment purchases, contracts, or expenditures in excess of \$500,000 or with a term of more than five (5) years and exceeding \$500,000. (Exceptions: expenditures that are part of the operating and capital equipment budgets previously approved by the Board of Trustees and purchases or contracts that utilize funds as provided by a granting agency and the University's

contribution is \$500,000 or less). Adequate time must be allowed for an item to be placed on the Board of Trustee meeting agenda.

Purchasing will facilitate the information required for review by the Board. A project information form (found on the purchasing website) is to be completed and signed by the requesting department, and forwarded to the appropriate contract manager. The contract manager will coordinate having the project placed on next available meeting agenda. Typical time frame for submission for an agenda is 7-10 business days prior to meeting date. Finance Committee and Board meeting dates can be found at:

http://www.utoledo.edu/offices/trustees/calendar_of_meetings.html

6. Competitive Bid Waivers

[\[Back to Top\]](#)

When procurement competitive bid thresholds are met, competitive bidding events are always the first course of action the university must take to maintain the openness and freedom of competition. It is extremely important to engage Purchasing as projects with large purchases commence as Purchasing will assist and guide faculty and staff in the proper procurement steps required to comply with University policy.

The University Board *Resolution 08-10-26* permits, under certain conditions, purchases of equipment, goods or services from a directed or sole source without soliciting competitive bids from multiple sources.

The University recognizes and understands that limited circumstances may not support the use of competitive bidding. In these situations, sole source or directed purchases may be acceptable alternatives.

6.1 There are three (3) core reasons for a competitive bid waiver request:

- Sole Source – this type of procurement is permissible when there is only one (1) single supplier that meets the requirements of the purchase.
 - Supplier must supply statement of uniqueness, patent or copyright information and indicate the pricing being quoted is equal to or less than pricing being given to most favored customers or other governmental agencies.
- Emergent need – this type of procurement is performed when a situation or condition occurs which creates a threat to public health, welfare, safety, or protection of property. The existence of these conditions must create an immediate and serious need for equipment, goods, services or construction that cannot be met through normal procurement methods/timelines.
- Economic situation – responsible economic procurement that prohibits the potential for additional expenses that would result from not making a purchase; use of another supplier would result in incompatibility with existing conditions; use of another supplier would require considerable training, time and money to evaluate; and/or product or service offered is at a substantial discount below current market conditions.

6.2 Steps to completing a competitive bid waiver request:

- 6.2.1 The Competitive Bid Waiver form (*request from Purchasing*) is to be completed by the requesting department, with detailed justification as to request.
- 6.2.2 The form must be signed by the signatory authority of the index being used and forwarded to Purchasing.

- 6.2.3 A verification of information and validation of request will be completed by Purchasing.
- 6.2.4 Purchasing will obtain the President or his designee's signature as final acceptance of waiver request.
- 6.2.5 Notification of acceptance will be communicated via email to requesting department with approval to proceed to entering of requisition
- 6.2.6 Purchasing will complete the procurement process.

7. Buying Preferences

[\[Back to Top\]](#)

There are several considerations to be given when making procurement decisions utilizing University funds. Departments should choose a supplier who will provide the best overall value for goods or services for the University.

7.1 University Negotiated Contracts (preferred suppliers)

Purchasing maintains a list of preferred suppliers who have negotiated contracts with the University. These contracts generally provide benefits over competitors and have secure terms for a length of time to address cost, quality, service, technology, payment terms, customer service, etc.

A listing of preferred suppliers and supplier information sheets by category of spend can be found on the Purchasing website. [\(link\)](#)

The supplier information sheets identify suppliers with a state certified diversity classification (MBE or EDGE –see section 7.5) and suppliers with products who support environmentally preferable purchasing (sustainability, green initiatives). Purchasing from suppliers with these classifications supports local businesses and aids the University in being environmentally responsible and should be strongly considered when making purchases.

7.2 Group Purchasing Organizations or Buying Consortium Agreements

The University is a member of several buying consortiums and group purchasing organizations (GPO). These entities aggregate the spend volume of its membership and in most instances competitively bids contracts based on membership need. This competitive bid process is acknowledged by the University as meeting the requirement for competitive bidding when purchases exceed the University thresholds.

■ **NOTE:** Not all GPO/consortium agreements have been competitively bid so you will need to verify their process if your purchase requires competitive bidding.

GPO agreements can be used for any purchase dollar value. Often there is additional financial advantage the University receives in the form of tiered pricing, patronage and rebates for the utilization of these agreements.

The following are common GPO and buying consortiums the University participates in:

- State of Ohio contracts (bid only)
- IUC (Inter University Council of Ohio)
- UHC/Novation (United Healthcare Consortium-hospital)
- Amerinet (hospital)

- LERC (Lake Erie Regional Cooperative-hospital)
- E&I (Educational and Institutional) Cooperative
- US Communities
- NJPA (National Joint Powers Alliance)
- MHEC (Midwestern Higher Education Conference)

7.3 Buy Ohio

The University shall give preference in its procurement activities to Ohio suppliers and suppliers from ‘Border’ States (Indiana, Kentucky, Michigan, New York, Pennsylvania), provided those states do not impose economic restraints on products produced, or mined in Ohio.

An ‘Ohio Supplier’ describes one who offers Ohio products (defined to mean products which are mined, excavated, produced, manufactured, raised or grown in the state by a person where the input of Ohio products, labor, skill or other services constitutes no less than 25 percent of the manufactured cost) or a Supplier who demonstrates significant Ohio economic presences (defined as business organizations that: have sales offices, divisions, sales outlets or manufacturing facilities in Ohio or facilities demonstrate a significant capital investment in Ohio: pay required taxes to the State of Ohio; and are registered and licensed to do business in the State of Ohio with the Office of Secretary of State).

<http://thinkohiofirst.ohio.gov/>

7.4 Buy America

Chapter 125.11 (B) of the Ohio Revised Code stipulates that state agencies and public colleges or universities shall give preference in their procurement activities to products produced, mined, or manufactured in the United States.

7.5 Minority Business

The University has a goal consistent with the State of Ohio legislative mandate to procure a percentage of its eligible goods and services annual spend from State Certified Minority Business Enterprises (MBE) and/or Encouraging Diversity, Growth and Equity (EDGE) suppliers.

The Purchasing Department is committed to the education, support and involvement of minority business suppliers in our procurement process and contract awards.

See University Policy XXX-newly created

7.6 Equal Employment Opportunity

The University requires suppliers, in bidding and/or filling a purchase order, to agree not to discriminate against any employee or applicant for employment, with respect to higher tenure, terms, conditions or privileges of employment, or any matter directly or indirectly relating to employment, because of race, color, religion, gender, sexual orientation, national origin,

disability or identity as a disabled veteran of the Vietnam era to the extent required by law. The supplier must further agree that every subcontract or order given will contain a provision required pursuant to Executive Order 11246 and 11357 and any breach thereof may be regarded as a material breach of any contract or purchase order.

8. Personal Purchases

[Back to Top]

No personal purchases are permitted to be made, either by a check request, purchase order, University p-card or any other institutional purchasing methodology. No employee may use the University's name or present him/herself as an agent of the University when making personal purchases. To do so would violate University policy and disciplinary action may take place, up to and including termination.

9. Unauthorized Purchases

[Back to Top]

Individuals shall not enter into purchase agreements, or in any way obligate the University for a procurement indebtedness except as specifically authorized by the policies and procedures. To do so would be considered an unauthorized purchase and the individual may be personally liable for the purchase in accordance with Section 3.12 of the Ohio Revised Code. <http://codes.ohio.gov/orc/gp3.12>

10. Tax Exempt Certificates

[Back to Top]

The University is exempt from all Ohio Sales Tax and many federal excise taxes. Tax exempt certificates will be provided to all suppliers who request them. Please provide the supplier's name, address, phone and fax number when requesting a certificate. Purchasing staff will fill out the certificate form and submit to the supplier.

The University's Federal Tax ID number is 34-6401483.

Should an invoice be received that includes sales tax:

- Call the supplier immediately upon receipt
- Inform the supplier of the University's tax exempt status (supply tax exempt certificate where needed)
- Determine if the supplier will reissue a new invoice without tax or agree to manually correct the existing invoice and short pay by the tax amount (obtain the supplier contact name and date of discussion)

11. Purchase Orders via ERP System (Lawson)

[Back to Top]

A Purchase Order represents a legal contract for accepting an offer made by the seller for specific good or services.

When Purchase Orders are required, requisitions must be submitted electronically. Lawson is the University's ERP (enterprise resource planning) system that provides functionality for the requisitioning, purchasing, inventory control, receiving, asset management and accounts payable activities.

The E-requisition or RSS (requisition self service) module provides the ability for departments to enter requisitions for goods and services online. The requisition is electronically routed based on a hierarchy for approval for specified account units (indexes).

Once approved, the requisition is sent electronically to Purchasing for review. A purchasing agent will be checking supplier selection, compliance with existing policies, correct capital account coding, pricing and any potential conflicts of interest. Upon completion of this review process, a purchase order will be issued to the supplier. Inquiry screens allow users to see real time information at any time in the sequence of procure to payment cycle.

An exception to the approval process is for inventory items utilized by departments and clinics associated with UTMC and research labs. These orders are automatically approved at time of requisition entry, picked and delivered to customers.

To obtain a first time user ID and password for requisitioning, access form located at http://www.utoledo.edu/depts/purchasing/PDFs/Finance_Security_Form.doc and submit according to instructions on form. A notification will be sent to requestor upon completion of profile set up.

Training will be provided by purchasing staff either ad hoc as needed or in group settings as desired by the requesting department.

To make changes to an existing requestor profile due to change in index/account units, access form located at http://www.utoledo.edu/offices/controller/general_accounting/pdfs/ApplicationforAccessingLawsonA.pdf and submit according to instructions on form.

12. Declaration of Material Assistance (DMA)

[\[Back to Top\]](#)

Part of responsible purchasing for the University is to ensure the suppliers we do business with are not supporting acts of terrorism.

DMA stands for Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization. The DMA is a provision of Senate Bill 9, which is Ohio's homeland security and anti-terrorism legislation, signed into law on January, 11, 2006. Refer to ORC Sections 2909.32, 2909.33, and 2909.34 for further information.

O.R.C. section 2909.33 (C) sets forth the requirements for government contracts.

In general, this section states:

Prior to entering into a contract with any state agency, instrumentality, or political subdivision to conduct business or receive funding, a person or private entity must complete a DMA form, but *only if* the person or entity has received, or will have received as a result of the pending contract, an aggregate amount greater than **\$100,000** in business or funding, excluding the amount of any personal benefit, excluding the amount of any personal benefit from the state, instrumentalities, and political subdivisions during the current fiscal year, measured from July 1st until June 30th.

For all orders \$100,000 and greater, Purchasing will have the supplier complete the DMA form and will conduct a search in the state database to ensure we are compliant with law. A copy of the DMA form is then filed with the order or request for proposal.

13. Unresolved Findings for Recovery (ORC Section 9.24)

[Back to Top]

Another area of concern when making purchases using state funds is to ensure a contract is not entered into with a person or business where a finding for recovery (illegally expending or misappropriating public money or property) has been issued and not resolved.

History

A new provision of law was enacted on January, 1, 2004 that prohibits a state agency or political subdivision from awarding a contract for goods, services or construction, which is paid for in whole or part with state funds, to a person against a finding for recovery has been issued by the Auditor of State, if the finding for recovery is unresolved. The amended law exempts contracts with a bonding company, insurance company, self-insurance pool and other contracts under \$25,000.

ORC 9.24 (D) requires the Auditor of State to establish and maintain a data base which is accessible at www.auditor.state.oh.us that will allow the University to perform a certification search. If none of the search results match the person or company to whom the University plans to award a contract, it can print off a certification page documenting this fact for audit purposes.

The following process should be followed for all purchases over **\$25,000**.

Go to the State of Ohio Auditor's website

<http://www.auditor.state.oh.us/resources/findings/certified/default.aspx>

- (a) Enter person's name and company name in certified search database
- (b) Print off page that shows 0 matches were found and initial.
- (c) Place a copy of this page in file with contract or purchase order.

In the event a match is found, the contract or purchase order may not be awarded and process of award will proceed to next qualified supplier.

14. Bidding Procedures for Goods & Services

[Back to Top]

14.1 Informal bids

When no contract exists to purchase from, informal bids (quotations) should be obtained by departments when making purchases under the University set thresholds of \$25,000 for goods and \$50,000 for services annually.

Under the buying dollar amount of \$5000, departments have flexibility in selecting a supplier without having significant financial impact to the University. Consideration should always be given to the supplier that will provide the best overall value to the University.

The following process should be followed for purchases of \$5000 to \$25000, when Purchasing is not involved, to ensure fair and impartial consideration is given when obtaining quotations from suppliers.

- Quotations may be obtained via phone, followed by written documentation that is faxed or emailed and at least three (3) written, letterhead quotes should be obtained for all purchases to ensure the best pricing/service is received.
- Information on purchases should be communicated with the same level of detail/specifications to each of the suppliers in which quotes are being obtained from.
- Each employee making a purchase under the bid threshold should take care to determine the prices are reasonable and competitive by use of personal knowledge, by comparing price with a current catalog price, a previously paid price or the price of similar items.
 - NOTE: it is unethical to share prices obtained from one supplier in order to leverage another supplier.
- Hard copy documentation of each transaction shall be maintained by the department according to university retention policies (*see section on retention policy*)

Purchasing will provide assistance in reviewing quotations, terms and conditions prior to finalizing a purchase. As stated previously, Purchasing may also elect to further consider bid options upon review of requisition information if it would be in the best interest of the University to do so.

14.2 Formal bids

A formal bid is a written, sealed, competitive solicitation for goods and/or services from three (3) or more qualified suppliers. The bids (request for proposals) are prepared and facilitated by Purchasing when University set thresholds have been met. Sealed bids or proposals are used to promote competition to the maximum extent practicable and to ensure that awards are advantageous to the University. Purchasing is responsible for creation, processing, opening of bids and awarding the contract to suppliers from the competitive selection process.

It is extremely important to engage Purchasing as soon as a procurement need is being discussed. Purchasing will assist in helping the departments to understand any bidding protocol and identifying which processes to follow for capital equipment and projects. Purchasing can also assist with communicating to the supplier on behalf of the University to obtain additional information in preparation of a purchase.

It is the department's responsibility to prepare the scope of service, and offer a list of potential suppliers with which to begin the process. It is University practice to solicit proposals from suppliers that are responsible and demonstrate technical expertise and financial stability. Responsible means:

- Has adequate financial resources or the ability to obtain them
- Is able to comply with requested timelines for completion of project
- Has a satisfactory performance record
- Has the necessary organizational, technical, operational skills and quality controls in place
- Being otherwise qualified and eligible to receive an award

A funding source must be identified prior to any work commencing on a project.

14.2.1 Highlights of formal bid process

- a. A Committee of members who has the greatest input and vested interest in outcome of event is assembled. A committee lead is identified.
- b. A Committee meets with Purchasing Contract Manager to begin the process. Discussion takes place on:

- i. Scope of Service
- ii. Pre proposal meeting need
- iii. Timeline of events
- iv. Supplier presentations (if needed)
 - v. Length of contract term
 - vi. Potential supplier list
 - vii. Evaluation criteria and score card generation
- viii. Signing of Committee Participation form – this form outlines the ‘rules’ that must be followed in the RFP process – of greatest concern is the commitment of team members to not interact with any of the suppliers bidding on a project for the entire RFP process. The supplier may only dialogue with the Contract Manager or a designee who is facilitating the process.
- c. Purchasing creates the Request for Proposal documentation and submits to bidders list and also may post on the Purchasing website.
- d. Purchasing conducts any pre-proposal conferences/meetings
- e. Respondents prepare proposals and submit by deadline date
- f. Purchasing reviews and analyzes all proposals for responsible and responsiveness efforts.
- g. Purchasing meets with the committee to review proposals
- h. Supplier presentations (if required) are held
- i. Scoring of the proposal evaluation criteria is completed by the committee. Purchasing does not participate in the scoring process.
- j. Award is made to supplier who presented the greatest overall value to the University
- k. Purchasing completes final negotiations and contract documentation

15. Lead time for Request for Information, Quote or Proposals

[\[Back to Top\]](#)

Departments should anticipate their needs far enough in advance to allow Purchasing time to process requests in compliance with University policies and procedures. The following are minimum time allowances and are subject to availability of purchasing staff, work effort, and deadlines of the various University projects.

1. Request for Information (RFI) – allow 3-5 days for preparation of information. Since this is a request for information only, no competitive pricing required, responses from respondents can be obtained within a 1-2 week time frame. Estimated full turnaround timeline: 3-4 weeks.
2. Request for Quote (RFQ) – allow 3-5 days for preparation of information. This type of event is predicated on price only. Specifications of good or service need must be detailed and specific to allow for competitive proposal responses. Evaluation of quotes will be completed by Purchasing and reviewed with requestor/committee for supplier selection. Award of the RFQ will be made to the lowest responsive and responsible supplier. Estimated full turnaround timeline: 5-6 weeks.
3. Request for Proposal (RFP) – allow 7-14 days for preparation. The request for proposal process is the most complex of competitive bidding processes. Much information is required to be prepared internally by the requesting department and purchasing to allow for the greatest success in the award outcome. Data gathering, preparation of cost matrices, and scope of service detail all need to be complete prior to issuing the RFP. Respondents are generally

given between 2-4 weeks to prepare proposal responses, dependent on complexity of project. The evaluation of the proposals by purchasing, committee review, and supplier presentations will take an additional 2-4 weeks after receipt of proposals. Award of the RFP is made to the best, overall proposal value to the University (not necessarily lowest price), therefore careful consideration of all elements must be made when selecting the awarded supplier. Estimated full turnaround timeline: 10-12 weeks.

16. Capital Equipment & Projects

[Back to Top]

The University defines capital equipment as having a dollar value >\$5000 and a useful life of three (3) years minimum. The Director of Capital Budgets and Planning is the responsible party to prioritize and maintain an up to date listing of requests. Each year departments request capital via the annual budgeting process. The list is reviewed by executive management and then submitted to the Board for approval as final part of the budgeting process.

There are special account code designations used in Lawson/Banner to tag and record the asset financially. It is important for anyone buying equipment under the \$25000 bid threshold be cognizant when the equipment cost exceeds \$5000 to ensure the purchase is recorded appropriately.

Capital projects can have a combination of construction/renovation and/or equipment needs. The following matrix outlines certain threshold limits for determining whether an item requires capital budget and planning review.

Type	Academic	Form	Hospital	Form
Buildings	\$50,000	Y	\$5,000	Y
Infrastructure	\$50,000	Y	\$5,000	Y
Land Improvements	\$ 5,000	N	\$5,000	Y
Machinery & Equipment (includes furniture)	\$ 5,000	N	\$5,000	Y
Vehicles	\$ 5,000	N	\$5,000	Y
Construction-in-progress	\$ 5,000	Y	\$5,000	Y
Computer Software	\$ 5,000	N	\$5,000	Y
Computers	\$ 5,000	N	\$5,000	Y

Forms for capital equipment and capital projects can be found at http://www.utoledo.edu/offices/controller/general_accounting/capital_request_information.html

17. Construction and Renovation Projects

[Back to Top]

Construction and renovation projects are coordinated by the Facilities and Construction department with procurement assistance from the Purchasing team. As required by Chapter 153 of the Ohio Revised Code, all building construction, improvements, repairs, and furnishings that exceed the maximum dollar amount established by State law will be purchased in accordance with the statute. The threshold for required bidding of projects is \$50,000 (ORC 153.01) and the contractor must be licensed to do work in Ohio with the state.

The formal bid process for construction includes the following steps:

- Meet with University project manager and/or Architect to review project detail
- Create and distribute Notice to Bidders
- Advertise Project
- Complete bid boiler plate
- Conduct Pre Bid Meeting to review bid document
- Create and publish Addendums with additional information as needed
- Conduct bid opening to publicly read offers received
- Validate all required documentation exists (Liability insurance, Workman's Compensation, Bid Guaranty, Equal Employment Opportunity status, Letter of Certification, etc...)
- Award of business
- Execute contract
- Distribute Notice of Commencement
- Complete Requisition/PO process

Award of RFP's for construction projects are made to the lowest most responsive and responsible bidder.

■ **NOTE:** Offers received must be within 10% of the aggregate total of project to be awarded. The University reserves the right to make a non award and to rebid a project when this scenario exists.

18. Bonding

[\[Back to Top\]](#)

A bond is a written instrument executed by the supplier or contractor (the principal) and a second party (the surety or sureties), to ensure fulfillment of the principal's obligations to a third party (University) identified in the bond.

The University, by choice, will require the bond to ensure that the principal's obligations are met. If the obligations are not met, the bond ensures payment of any loss sustained by the University to the extent stipulated in the bond.

15.1 There are different types of bonds:

- **Proposal Guarantee/Bid Bond**

A proposal guarantee or bid bond is issued as part of a request for proposal process to guarantee the awarded supplier will undertake the contract under the terms as bid. .

When a proposal guarantee is required, it should be adequate to protect the University and be specified in the request for proposal. Typically 100% of the project plus any alternatives is requested. If there is nothing filled in on the blank line of the proposal guarantee form, the penal sum shall be the full amount of the Base Bid plus all additive Alternatives.

The request for proposal should contain enough information to enable respondents to determine the proper amount of the proposal guarantee to submit. A proposal may be rejected as non-responsive if the proposal guarantee is not provided.

▪ **Performance Bond**

A performance bond is a surety bond issued to guarantee satisfactory completion of a project by a supplier. Typically used in construction and large projects and similar to a bid bond, 100% of the project plus any alternatives is requested. If a supplier fails to perform a contract according to the specifications, the University is guaranteed compensation for monetary loss up to the amount of the performance bond.

19. Time and Material Contracts

[\[Back to Top\]](#)

For construction and renovation projects under the mandatory bid threshold of \$50,000, time and material (T&M) contracts may be used. Time and material contracts provide for acquiring goods or services on the basis of:

1. Direct labor hour at specified fixed hourly rates which include wages, overhead, general and administrative expenses and profit
2. Materials at cost (sometimes including material handling costs)

The time and material contracts are bid on an annual basis and awards are made to at least two (2) suppliers in each of the following categories:

- | | |
|-----------------------------------|--------------------|
| * General | * Teledata |
| * Electrical (hi and low voltage) | * Masonry |
| * Plumbing | * Concrete |
| * HVAC | * Air balancing |
| * Flooring | * Sheet Metal |
| * Painting | * Pipe Insulation |
| * Roofing | * Disaster Cleanup |

Facilities will make estimates of the department project needs under \$50,000 and determine which T&M contracts will be accessed without obtaining additional quotations for the project. This information will be given to the departments so that a requisition may be entered into the system for PO processing.

20. Receiving

[\[Back to Top\]](#)

The Receiving Department is responsible for the receipt of equipment, supplies and goods purchased by the University. The University has two (2) receiving docks – one located on the main campus and one on the Health Science Campus. Hours of operation are Monday through Friday from 7:30 a.m. to 4:00 p.m.

Main Campus

The University of Toledo
Attn: Receiving Dept.
1615 N. Westwood
Toledo, OH 43607

Health Science Campus

The University of Toledo
Attn: Receiving Dept.
3000 Arlington Ave.
Toledo, OH 43614

Upon receipt of a package, the package is checked for a purchase order (PO) number. The PO packages are then opened, contents validated against the packing slip and received in the University ERP system receiving module. The package is then placed on a cart for delivery to specified location. Deliveries are typically made within 24 hours of receipt.

If the package has the name of a person in the shipping address, the package is logged as a personal shipment. No verification of contents is made by the receiving staff. The package is placed on a cart for delivery to specified location.

The responsibility to ensure contents of packages are the correct items received lies with the person that ordered the item directly with the supplier. Any discrepancies and resolution of issues are to be handled directly with the supplier. See section on Returns.

** Effective November of 2010, anyone who is making a p-card purchase must use their building's physical number and street address when placing an order to ensure package is delivered direct to their location. UPS and Federal Express will deliver purchase order packages to the receiving docks and deliver all other properly addressed packages direct to faculty and staff.

If there is no identification (PO number, person's name or p-card purchase) on the package, then receiving logs the package as a 'trouble ticket' item and communication is made to Purchasing for problem resolution.

21. Returns

[\[Back to Top\]](#)

Upon inspection by the Receiving department of any PO related package contents, if any discrepancy occurs (wrong quantity, wrong item, damaged), Receiving will contact Purchasing for problem resolution. It is Purchasing's responsibility to rectify the situation with the supplier.

Process for return:

- Contact supplier and obtain a return material authorization number (RMA)
- Complete the Returned Goods form located at <http://www.utoledo.edu/depts/purchasing/PDFs/ReturnedGoodsForm.pdf>
- Contact Receiving to pick up the package (paperwork must be attached to outside of box)
- Receiving will prepare package for return using most economical means
- End user to follow up with supplier to ensure proper credit or replacement item has been received.

22. Payment for Goods and Services

[\[Back to Top\]](#)

The University will pay suppliers for goods and/or services after the receipt of the good and/or service has been completed. Payment will be made in accordance with established payment terms, honoring all discounts and be processed via P-card, ACH, or check.

Standard payment terms are NET 30 days. All other payment terms must be negotiated by Purchasing prior to committing to a purchase.

In certain situations, the Director of Purchasing and Controller or their designees may approve prepayment of a good or service prior to receipt or completion.

Progress payments (partial payments) may be permitted if it is determined to be in the best interest of the University and measurable milestone progress points are mutually agreed to by the Controller and Purchasing.

There are certain expenditure categories that do not require processing through Purchasing as it would be impractical to handle via a purchase order. **The direct pay process should only be used in the event the supplier does not take the p-card.** Invoices for the following approved expenditures may be sent directly to Accounts Payable utilizing the direct pay process. All University policies and procedures for procurement must have been followed.

23.1 Approved Expenditures

The following is a list of approved expenditures that can be sent directly to Accounts Payable on a Direct pay form when the supplier does not take a p-card:

- Licenses (non software), permits, accreditations, certification fees
- Membership dues
- Book and magazine subscriptions
- Conference registrations
- Honorariums
- Royalty Payments
- Government-payments to county, state and federal government agencies, including other universities
- Petty Cash or Change fund
- Cash Advance
- UT Foundation
- Athletics (meal & housing lists)
- Check Requests (deposits on travel, events, speakers, referees, guests)
- Taxes (sales, property, payroll)
- Reimbursements
- Legal Services
- Rotations
- Temporary employment services
- Advertising (marketing, facilities and construction)
- US Postmaster

This is not an exhaustive list, but meant to provide guidance. Please contact Purchasing or Accounts Payable managers if there are any questions regarding the listing.

23.2 Processing:

To process payment for the transactions listed above, prepare a Direct Pay form http://www.utoledo.edu/offices/controller/accounts_payable/pdfs/DirectPayForm.pdf , attach the original invoice, obtain two (2) required signatures and forward to the Accounts Payable office located on the second floor of the Learning Resource Center (LRC) at Scott Park – MS 451. These invoices are the personal responsibility of the individual making the transaction until such time paid by the University.

A less paper intensive process for submittal of direct pay documents is called “Email Processing”
These are the steps to follow:

For Vendor:

- Email invoice to accounts payable@utoledo.edu
- Subject line to read: emailed process {vendor name}
- Vendor must make sure there is a PO # or some identifier that will tell AP who to contact to get further information to process, if needed.

For Departments (there are two (2) options):

- Email the invoice and completed Direct Pay form to # **Accounts Payable** or accounts payable@utoledo.edu
 - The Direct Pay form must have the required requestor and approver signatures
 - An email from the requestor to the approver with ok to pay in the email is acceptable
 - If a business purpose and list of attendees/recipients are needed, those must be documented in the appropriate sections on the Direct Pay form
- Email the invoice to: # **Accounts Payable** or accounts payable@utoledo.edu
 - The invoice must have the required requestor and approver signatures
 - An email from the requestor to the approver with the index and account listed in the email and the ok to pay in the email is acceptable
 - If a business purpose and list of attendees/recipients are needed, that must be noted on the invoice

Prompt processing of direct pays is required to ensure supplier is paid according to terms, and the funds get encumbered to show on monthly budget statements.

24. Contract Administration

[\[Back to Top\]](#)

Contracts for operational goods and services are administered by the Purchasing contract management team. Contract managers are responsible for maintaining all agreements and related documents in a centralized web based solution. E-mail alerts are created to both the contract manager and customer in advance of the final term end date for proactive communication and planning for additional contract need. Budget planning alerts also notify customer base as a reminder of monetary need for fiscal year budget creation.

Contracts other than operational are administered by the Office of Legal Affairs. Allow adequate time for both Purchasing and Legal to review and negotiate the elements of the contract. This may take 30-60 days depending on the complexity of contract terms.

25. Signing of Contracts or Purchase Agreements

[\[Back to Top\]](#)

University Policy XXXX for Signatory Authority outlines the types of agreements, monetary limits and titles of positions/persons who are authorized to bind the University into a contractual relationship with a supplier, contractor or other entity.

All agreements obligating the University must be reviewed and approved by the appropriate University officials, Purchasing and/or the Office of Legal Affairs.

Any individual that obligates the University outside the limitations of this policy by signing an agreement or contract will be held personally liable for payment and may be subject to disciplinary action, up to and including termination.

26. Supplier Management

[\[Back to Top\]](#)

It is Purchasing's responsibility to manage the supplier base serving the University's procurement needs. To do so means constant communication with our campus community and the suppliers we have created partnerships with.

At any time should an employee have a negative experience in the procurement of goods or services, please contact the appropriate contract manager to provide details of the situation. Purchasing will then follow up with the supplier, document the conversation/meeting and retain information to ensure resolution has been achieved to the satisfaction of the employee and the University.

Conversely, if a supplier has done an exceptional job (above the normal business expectations), Purchasing would also like this communication to share feedback with the suppliers to reinforce the positive experience.

Business review meetings are conducted on a regular basis between Purchasing and our preferred suppliers. In these meetings, discussions are held on new trends in the marketplace, what best practices can be shared to strengthen the relationship, as well as innovative discussions on how to lower the cost of doing business. Review of financials and any past issues are also topics for discussion.

27. Sustainability

[\[Back to Top\]](#)

The University is committed to the environmentally responsible use of resources and sustainability. Purchasing practices of 'buying green' support the University's initiative of minimizing the effects our institution has on the environment by using procurement methods that are socially and economically responsible.

We expect our suppliers to share our commitment to the environment. Environmentally Preferred Purchasing (EPP) or green purchasing attempts to reduce environmental impact and maximize resource efficiency. Categories for sustainability that all employees should be aware of when making purchases are:

- Energy Star products
- Energy efficient alternatives for interior/exterior lighting
- Products with recyclable content
- Remanufactured toner cartridges
- Use of biodegradable materials for packaging
- Use of renewable resources
- Bio-based fuels, hybrids, electric batteries (less polluting alternatives for vehicles purchases)

- Cleaning solvents (no ozone depleting substances, reduced flammability, no added dyes, fragrances, skin irritants)

To reduce our carbon footprint, Purchasing also works with suppliers who make regular deliveries to our campuses to reduce the number of delivery days needed yet meet the needs of our customer base.

28. Leasing

[\[Back to Top\]](#)

On occasion, departments may find themselves in a position to consider leasing property (equipment, furniture, computers, etc...) as an alternative to an outright purchase. Purchasing with the support of Treasury and Finance will evaluate the transaction and utilize leasing tools to determine the most advantageous procurement method for the University. Financing options, tax issues, legal considerations and proper accounting will all be thoroughly reviewed.

Proper time consideration should be given for leasing events due to additional work effort required to obtain best rates.

29. Equipment Trials/ Product Evaluations

[\[Back to Top\]](#)

All equipment trials should be coordinated through Purchasing prior to any demonstration of equipment or new product to ensure proper paperwork and insurance requirements are fulfilled. There is an agreement the supplier must sign prior to engaging in any trial process.

A zero dollar purchase order will be generated to receive in trial products/equipment and for tracking the length of the trial period.

Upon the completion of the trial/evaluation timeframe, the equipment or products will be returned or picked up by the supplier or an additional process may begin with procuring the trialed products. All procurement policies will be followed.

30. Surplus Property/Property Control

[\[Back to Top\]](#)

The University is responsible for maintaining accurate records on all equipment purchased with University funds, valued at \$5000 and greater and with a minimum useful life of three (3) years (capital definition) or held and identified as an asset of the University. University property includes property acquired through grants, gifts or donations. University employees have an obligation to use University property with diligence, proper use and care.

Property Control must ensure that all fixed assets are tagged with a Property Control tag and that relevant information for each asset is recorded in the financial system. Property Control works in conjunction with Surplus Property in the authorization and recording of fixed asset disposal.

The Surplus Property Department has responsibility for the sale or disposal of property by one of the following methods:

1. Redistribution within the University community;
2. An advertised public auction with the property being sold to the highest bidder
3. An advertised public sale with the property having prices assigned to each item and sold to the public at a set time and place;
4. Property may be disposed of in the most economical means for the University; or
5. Transfer of property if the grant moves to another university.

In some instances it is the University's advantage to trade in obsolete equipment toward the purchase of new equipment. Purchasing, in cooperation with the user department, will determine the most economical and beneficial means in the procurement of new equipment in accordance with University purchasing procedures.

31. University Terms and Conditions

[\[Back to Top\]](#)

The University terms and conditions are a part of all contracts (including purchase orders) that suppliers must follow when executing any request for goods or services. Terms and conditions may vary dependent on the good or service being acquired and are negotiated jointly between the supplier and the University. The Office of Legal Affairs reviews all contract language and assists Purchasing in reaching mutually agreeable language that protects the University in the event of an adverse situation.

The following are the general terms and conditions that are most commonly found in a majority of agreements:

Absence of Sanctions:

Supplier represents that neither it nor any of its owners, officers or employees have been sanctioned by or excluded from participation in any federal or state health care program, including Medicare and Medicaid. Supplier agrees that if it or any such individual associated with it should become the subject of an investigation relating to health care fraud, abuse or misconduct, or should be sanctioned by or excluded from participating in any federal or state health care program, including Medicare and Medicaid, it will immediately notify the University of such event and the University will have the right to immediately terminate this Agreement without penalty or cost.

Advertising:

No Supplier providing products or services to the University will appropriate or make use of the name or other identifying marks or property in its advertising.

Assignment:

Neither party may assign its right or obligation hereunder without the prior written approval of the other party.

Auditing Policy:

The awarded supplier may be required to cooperate with any outside auditing firm as selected by the University or an auditor employed by the University, for the sake of monitoring that the supplier is complying with the terms of this agreement. If discrepancies are found and they appear to be unintentional, the awarded supplier will correct the situation and return any overpayments to the University. Any appearance of intentional wrong doing by the supplier will be cause for the immediate termination of any agreement entered into between the University and the awarded supplier.

Compliance with Law and Policies

- Supplier hereby covenants and agrees that in the course of Supplier's performance of its duties hereunder, Supplier will comply with all applicable federal, state and local government statutes, ordinances and regulations, and University policies and procedures.

- If professional licensing or certification constitutes a qualification for Supplier's performance under this Agreement, Supplier will make immediately available, at the University's request, a copy of said certification or licensure.
- The Supplier warrants that it has complied with all federal, state and local laws regarding business permits and licenses of any kind, including but not limited to:
 - Family Educational Rights and Privacy Act (FERPA)
 - Gram-Leach-Bliley (GLB) Act
 - [Health Insurance Portability and Accountability \(HIPAA\) Act of 1996](#)
 - [Privacy Act of 1974](#)
 - OSHA Compliance
- The Supplier agrees to comply with all applicable Federal, State and Local laws regarding smoke-free and drug-free workplaces and shall make a good faith effort to ensure that any of its employees or permitted subcontractors engaged in any work being performed hereunder do not purchase, transfer, use or possess illegal drugs or alcohol or abuse prescription drugs in any way.

Conflict of Interest:

Supplier acknowledges that no conflict of interest exists between the Supplier and the University, or Supplier and its employees, or any members of their families in relation to any University policies or guidelines or state laws. Any person who acquires a conflicting personal interest as of the date the services begin must immediately disclose such interest to the University in writing. Supplier will not participate in any action affecting the services of this Agreement unless the University has determined that such participation would not be contrary to the public interest.

Contingent upon Appropriation:

It is understood that any and all expenditures of State funds are contingent on the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments and/or other obligations that may be due hereunder, then the State of Ohio's obligations under this Contract are terminated as of the date that the funding expires without further obligation of the State.

Customer Service:

- It is expected that all Suppliers working with University associates maintain a professional and courteous nature and that phone calls and order confirmations be promptly returned.
- It is the desire of the University that a dedicated Customer Service Representative, or team thereof, be placed on the University account during regular business hours with e-mail capabilities.
- It is the Supplier's responsibility to communicate changes in representatives and coordinate introductions to key personnel at the University. This includes sales and internal customer service reps.

Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization (D.M.A.):

- If required as indicated in the Attachments/Exhibits, the Respondent is responsible for reviewing, completing, signing, and including **Attachment C** within their Proposal to certify that they have not provided "material assistance" to a terrorist organization.
- The DMA was created to provide the state with an additional tool to deter and prosecute acts of terrorism within the state. The Declaration is a part of Senate Bill 9, which is Ohio's homeland security and anti-terrorism legislation. The revised version of the bill was signed into law by Governor Taft on January 11, 2006. Sections 2909.32, 2909.33, and 2909.34 of the Ohio Revised Code officially defined and created the DMA. Compliance with the DMA will take effect on Friday, April 14, 2006.

Additional information is available at http://www.homelandsecurity.ohio.gov/DMA_forms.asp

Delivery/Title/Risk of Loss:

Unless otherwise agreed, delivery shall be FOB Destination and title shall pass to Buyer upon acceptance at

the final delivery point. Risk of damages or loss following shipment and prior to acceptance by Buyer shall be the responsibility of Seller.

Ethical Conduct:

It is expected once an agreement is issued, Suppliers (awarded or not awarded) will not undertake any actions that might interfere with, or be detrimental to, the contractual obligations of The University of Toledo. The University reserves the right to take any and all actions deemed appropriate in response to unethical conduct by a Supplier. Such actions include, but are not limited to: establishing guidelines for campus visits by Supplier, and/or removal of a Supplier from University's supplier list.

Force Majeure:

Neither party will be liable or deemed in default for any delay or failure in performance under an Agreement or interruption of service resulting directly or indirectly from acts of God, civil or military authority, acts of the public enemy, war, riots, civil disturbances, insurrections, accidents, fires, explosions, earthquakes, floods, the elements or any other cause beyond the reasonable control of such party.

Governing Law:

All questions relating to the validity, interpretation, performance or enforcement of this Agreement, and any claims arising from or related to this Agreement, will be governed by and construed in accordance with the laws of the State of Ohio, without regard to the principle of conflict of laws. Any litigation arising from or related to this Agreement may be brought only in the federal or state courts of Ohio with appropriate jurisdiction, and the parties irrevocably consent to the jurisdiction and venue of such courts.

HB694 Campaign Contributions:

The Supplier hereby certifies that all applicable parties listed in Division (I)(3) or (J)(3) of ORC Section 3517.13 are in full compliance with Divisions (I)(1) and (J)(1) of ORC Section 3517.13.

Indemnification:

Supplier agrees to indemnify the University, its governing board, officers, employees, agents, students and the State of Ohio from and against any and all costs, losses, damages, liabilities, expenses, demands, and judgments, including court costs, and attorney's fees, which may arise out of Supplier's performance of this Agreement, except to the extent such are caused by the sole fault or negligence of the University. Supplier agrees to indemnify the University, its governing board, officers, employees, agents, students and the State of Ohio from and against any and all costs, losses, damages, liabilities, expenses, demands, and judgments, including court costs, and attorney's fees, suffered by failure to perform this Agreement according to its provisions and in accordance with the Statement of Services.

Insurance:

Contractor ("Contractor") shall purchase and maintain liability insurance which will protect the Contractor from claims which may arise out of or result from the Contractor's performance or obligations under the contract, whether due to action or inaction by the Contractor, or any person for whom the Contractor is responsible.

Refer to the following website for information:

<http://www.utoledo.edu/depts/risk/rm/policies/contractors.html>

Limitation of Liability:

- The University's liability for damages, whether in contract or in tort, will not exceed the total amount of compensation payable to Contractor under this Agreement.
- IN NO EVENT WILL THE UNIVERSITY BE LIABLE FOR ANY INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF PROFITS, EVEN IF THE UNIVERSITY IS ADVISED, KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.
- NOTWITHSTANDING ANY LANGUAGE TO THE CONTRARY, THE CONTRACTOR WILL BE LIABLE FOR ANY PERSONAL INJURY OR DAMAGE TO THE UNIVERSITY IN PERFORMING

THE SERVICES, INCLUDING DAMAGE TO REAL PROPERTY OR TANGIBLE PERSONAL PROPERTY, CAUSED BY ITS FAULT OR NEGLIGENCE.

Meetings:

The Supplier is required to meet with the University to resolve technical or contractual problems that may occur during the term of the contract or to discuss the progress made by Supplier and the University in the performance of their respective obligations, at no additional cost to the University.

Non-Discrimination:

Pursuant to R.C. §125.111, and Executive Order 11246, Laws and Regulations of the State of Ohio, the Vietnam Era Veterans Readjustment Assistance Act and policy of the University, the Contractor agrees that Contractor, and any Sub-supplier there of, or any person acting on behalf of Contractor or a Sub-supplier, will not discriminate, by reason of race, creed, color, religion, sex, age, handicap, national origin, or ancestry, or status as a disabled veteran or Vietnam era veteran against any citizen of this state in the employment of any person qualified and available to perform the work under the agreement. The successful Contractor further agrees that every sub-contract for parts and/or service for any ensuing order will contain a provision requiring non-discrimination in employment as specified above. Any breach thereof may be regarded as material breach of contract or purchase order. The Contractor further agrees that Contractor, any Sub-supplier, and any person acting on behalf of Contractor or its Sub-supplier, will not in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under the agreement on account of race, creed, color, religion, sex, age, handicap, national origin, or ancestry, or status as a disabled veteran or Vietnam era veteran. Contractor represents that it has a written affirmative action program for the employment and effective utilization of economically disadvantaged persons and annually will file a description of that program and a progress report on its implementation with the Equal Employment Opportunity Office of the Department of Administrative Services.

Public Records:

Supplier understands that any records kept or maintained by the University, including any quotes or pricing of Supplier, may require disclosure under Ohio's Public Records Act, R.C. § 149.43 and Ohio law and Supplier consents to such disclosure.

Purchase Orders, Invoicing & Cash Discounts:

University purchases will be procured through University authorized personnel on a valid purchase order or procurement card. Purchase Order numbers are required on all invoices to ensure proper payment. Payment terms are NET 30 days. The University shall have the option of using any method of payment including credit card, ACH, or check.

Invoices should be mailed to the Accounts Payable department address:

The University of Toledo
Attn: Accounts Payable
MS 451
2801 W. Bancroft St.
Toledo, OH 43606

Any cash discounts offered will be accepted and the University will endeavor to use in the evaluation, if possible.

Suspension or Debarment:

Supplier certifies that it is not suspended or debarred by the Federal Government or State of Ohio from participating in Federal or State funded projects.

Termination:

- The University reserves the right to terminate this Agreement for any reason and at any time upon 30 days written notice to Supplier. In the event of termination prior to completion of all Services described in (), the amount of the total fee to be paid the Supplier will be determined by the

University on the basis of the portion of the total Services actually completed up to the time of such termination.

- If either party fails to perform any of the requirements of this Agreement, or is in violation of a specific provision of this Agreement, then the non-breaching party may suspend or terminate this Agreement if the breaching party fails to cure such non-performance or violation within ten (10) business days following delivery of written notice of the breach.

Taxes:

The University of Toledo, as an instrumentality of the State of Ohio, is exempt from Ohio sales tax and Federal excise tax, including Federal transportation tax. An exemption certificate is available, upon request, from the University Purchasing office.

Unresolved Findings:

Vendor warrants that it is not subject to an “unresolved” finding for recovery under Ohio Revised Code Section 9.24. If the warranty is deemed to be false, the Agreement is void ab initio and the Contractor must immediately repay to the State any funds paid under this Agreement.

Warranty:

Contractor warrants that the work performed and equipment supplied hereunder will be of first quality, in full compliance with the requirements of the Agreement, and free from defects in material, workmanship and design for one year from initial operations. If any aspect of the above warranty will be breached, Contractor shall, upon receipt of notice thereof from University and at Contractor’s sole cost and expense, promptly repair or replace the defective materials, workmanship, or design or pay the University the costs and expenses incurred by University in conducting such repair and replacement

32. Record Retention

[\[Back to Top\]](#)

The University follows the records retention policy of the Inter University Council (IUC) which was developed in 1992 and modified in 1994. Highlights of documents related to the procure to pay process are listed below. It is extremely important to follow the retention guidelines to ensure proper backup documentation exists for the full time frame required.

Records related to:

- Request for proposals/bids, bid review documents, receiving documents, Proof of bid receipt 3 years
- Purchase Orders ACT+5 yrs
- Receiving/Shipping Documentation 3 years
- Contracts/Agreements (services, purchased goods, leases, construction) ACT+5 yrs
- Contract Performance Agreements 5 years
- Payment Requests (including p-card) ACT + 4 yrs

ACT refers to ‘while active’.

ACT	Refers to 'while active' when referencing document retention policies
Buying Green	Procuring products made from recycled or remanufactured materials
Conflict of Interest	A conflict of interest occurs when a University employee is in a position to influence the conduct of a project for personal gain due to responsibilities or arrangements with an outside entity
Contract	An agreement between two or more parties, that is written and enforceable by law. It obligates the supplier to furnish goods or services and the University to pay for them. A contract becomes enforceable when it is formally acknowledged or accepted by a responsible representative of the supplier.
Contract Manager	A University employee who administers a contract on behalf of UT or UTMC. This person is the primary contact between the University and the supplier
DMA	Declaration of Material Assistance – form suppliers must complete for purchases greater than \$100K to demonstrate they do not support acts of terrorism
EDGE	(Encouraging Diversity, Growth and Equity)
FOB Destination	The most desirable method of shipping for the University. Title is held by the supplier until products are delivered to the purchaser or receiving dock area. The supplier is responsible for damages and losses and the filing of claims up to the time of delivery.
FOB Origin	Title of the product passes from the supplier to the purchaser at the moment of delivery to the freight carrier. Purchaser is liable for freight charges, and must file all claims for loss or damage.
GPO	Group Purchasing Organization – consortium made up of members of a similar sect (ie, healthcare, higher education) whereby spend volume is aggregated to enable greater potential of financial benefits to membership.
Invoice	A detailed list of products shipped or services rendered, with an account of all costs.
MBE	Minority Business Enterprise
ORC	Ohio Revised Code
P-card	Purchasing card for low dollar transactions that cost \$5000 or less.
Payment terms	The time interval in which the University should pay an invoice
Procurement	Procurement (purchasing) is all of the processes involved in requesting, ordering, receiving and paying for goods and services
Purchasing Agent	A University employee who solicits, either orally or by written solicitation, prices for various types of goods, services and equipment. The purchasing agent performs all necessary steps to prepare, negotiate, formulate and issue a purchase order.

Purchase Order	The authorizing document for procurement of goods or services from a supplier. The Purchase Order becomes a legally binding contract on acceptance by the supplier
Supplier	Provider of goods or services. This term is interchangeable with such terms as contractor, vendor, seller, and consultant.
Tax exempt	Not subject or liable to taxation
Terms and Conditions (T's and C's)	Specific requirements the University makes upon a supplier in the performance of work

Resources:

- UT, Purchasing Services <http://www.utoledo.edu/depts/purchasing/>
- UT, Accounts Payable http://www.utoledo.edu/offices/controller/accounts_payable/
- UT, Policies <http://www.utoledo.edu/policies/>

