



GUIDE

**REVISED
December 2015**

TABLE OF CONTENTS

INTRODUCTION	1
PROCUREMENT PLANNING	2
AUTHORITY AND DELEGATION	2
PROCUREMENT SERVICES.....	3
CONTRACT CLASSIFICATIONS	3
METHODS FOR PROCURING GOODS AND SERVICES	4
REQUIREMENTS COMMON TO ALL TRANSACTIONS	6
STRATEGIC SOURCING OPTIONS AND ALTERNATIVES	10
DVBE WAIVER FOR FORMAL SOLICITATIONS.....	12
REQUIREMENTS FOR SPECIFIC COMMODITY TRANSACTIONS.....	14
REQUIREMENTS SPECIFIC TO SERVICE TRANSACTIONS.....	19
REQUIREMENTS SPECIFIC TO INFORMATION TECHNOLOGY GOODS/SERVICES	23
LONG TERM OR MULTI-YEAR CONTRACTS	25
STOCK RECEIVED REPORTS	25
STOCK RETURNED REPORT.....	25
CONTRACT SERVICES.....	26
Contracting Authority	26
Contract Approval Policy	26
Roles and Responsibilities	27
Types of Agreements	27
ADDITIONAL INFORMATION.....	29
Common Financial System (CFS).....	29
Procurement Card Program	29
Accessible Technology Initiative (ATI).....	30
Invoices.....	30
Property Accounting and Inventory	30
PROCUREMENT AND CONTRACT SERVICES ACRONYMS	33

INTRODUCTION

The content of this guide for Procurement and Contract Services at California State University, Sacramento is intended as a reference to assist campus employees with the processing of their business transactions that are specific to the campus. The Integrated CSU Administrative Manual (ICSUAM) Section 5000, Policy Manual for Contracts and Procurement shall be used, for more detailed information go to: <http://www.calstate.edu/icsuam/documents/Section5000.pdf> The Procurement and Contract Services Office is committed to maintaining high standards of performance based on fair ethical and professional business practices. The purchasing and contracting policies are not based upon a single statutory reference but rather are adopted to form compliance with a variety of statutory and policy provisions found in the State of California statutory codes (i.e., Education Code, Public Contract, Government Code, etc.); Title 5, California Code of Regulations; the standing Orders and Resolutions of the Board of Trustees; specific Trustee policy issued via Chancellor Executive Orders and administrative policy memoranda.

Personnel assigned to the Procurement and Contract Services Office is trained to assist faculty and staff so requests can be handled quickly and efficiently. The staff is available to assist you in planning and processing your requirements.

The mission of the Procurement and Contract Services Office is to provide the campus community with cost efficient and effective services with the resource level provided. The staff attempts to provide these services in a timely and courteous manner at all times. To accomplish this, policies and procedures have been established which will provide for a smooth flow of incoming requests through the procurement cycle and delivery of your supplies or services.

You are encouraged to familiarize yourself with the policies and procedures in this manual. When you have a need for our services please refer to this manual, our website www.csus.edu/aba/procurement or call the Procurement and Contract Services office at ext. 8-7322.

The information included in this manual is reflective of State of California statutes, CSU system wide policy and University procurement procedures, policies, and practices. References may be made to Public Contract Code and the Education Code as well as other California codes. California codes can be found at <http://leginfo.legislature.ca.gov/>.

Procurement transactions not made in the prescribed manner through the Procurement and Contract Services office are unauthorized and payment cannot be made. These transactions constitute orders which are in direct violation to the Government Code and are the responsibility of the individual and not the University.

PROCUREMENT PLANNING

Procurement Planning is one of the most important and vital business processes in every organization, the key for successful acquisition of supplies and services for the University. By *implementing procurement planning*, the University can ensure that appropriate products and services are purchased at the right price from the right suppliers at the right time.

A multitude of factors and requirements must often be met prior to the award of a purchase order or contract. Requestors are highly encouraged to take a proactive approach and plan commodity and/or service needs well in advance.

Procurement planning gives the following benefits for the University:

- materials are always available to support campus needs
- costs and procurement time are minimized
- reduction in risks
- effective responsiveness is established between the University and its suppliers

AUTHORITY AND DELEGATION

California State University, Sacramento is one of twenty-three campuses which are collectively administered by The Trustees of the California State University. The Trustees are responsible for chief administration of the campuses. Their delegation is passed to the Presidents of the Universities to administer affairs at the individual campus level. In turn, each President delegates authority and responsibility to University Administrators.

Procurement and Contract Services has sole delegated authority to enter into contracts for purchases, services, legal agreements, revenue agreements and all vendor agreements.

Persons Authorized To Commit State Funds

Authority to sign purchase orders, contracts and interagency agreements, and to certify contractual documents is limited to California State University, Sacramento Procurement Officers and Administrators who have been duly authorized in writing by the campus President and whose names and position titles are on file in the Chancellor's Office, Auxiliary and Business Services.

CALIFORNIA STATE UNIVERSITY, SACRAMENTO STAFF AND FACULTY OTHER THAN THE ABOVE ARE NOT AUTHORIZED TO COMMIT UNIVERSITY FUNDS. THE END USER IS ONLY AUTHORIZED TO REQUISITION TO THE ABOVE OFFICERS TO COMMIT THE FUNDS.

Definition of Committing State Funds

The following actions constitute committing funds:

- Authorizing a vendor to provide a service or ship an item without an approved purchase order, unless otherwise authorized in this manual.
- Approving a purchase order, service order, or emergency request.
- Signing any contractual agreement naming California State University, Sacramento or its employees, officers or agents as a party to the agreement. This includes but not limited to, license agreements, facility rental contracts, Memorandums of Understanding, maintenance agreements and order forms.
- Picking up merchandise without an approved purchase order unless otherwise authorized in this manual.

PROCUREMENT SERVICES

CONTRACT CLASSIFICATIONS

Goods

This is a purchase of tangible items, such as equipment, parts, supplies, or other merchandise. If any services are to be provided as well, the dollar value associated with the purchase of the Goods must be greater than the dollar value of the services that will be provided. This classification of contracts does not include contracts for the acquisition of Information Resources Technology (IRT) goods and Services.

Services

Service means any work performed by an independent contractor, consultant, or service provider wherein the service rendered does not consist primarily of the acquisition of goods. This classification of contracts does not include contracts for the acquisition of information technology services, or Agreements that are listed under Contract Services which is included separately in this manual

Information Resources Technology (IRT) Goods and Services Contract

This classification of contracts includes acquisition of goods and/or services for all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications which include voice, video, and data communications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.

METHODS FOR PROCURING GOODS AND SERVICES

Campus departments are not permitted to place orders directly with vendors and service providers, apart from using the universal delegation of authority that permits acquisitions to be made under the Procurement Card program, Direct Payment Program or through the use of a petty cash fund. Instead, requisitions must first be submitted for processing to the Procurement and Contract Services Office.

There are four different methods which have been established to assist campus departments in obtaining goods and services, they are as follows:

- Use of a requisition entered via the Common Financial System (CFS) for issuance of a purchase order, service order or contract. This is the preferred method.
- Use of a California State University, Sacramento issued Procurement Card (for transactions of common low value items within dollar and other limitations). Information on the Procurement Card Program is available on the Procurement and Contract Services website at www.csus.edu/aba/procurement and in this manual.
- Use of the Direct Pay Program for specific items as administered by the Accounts Payable Office. Information regarding the Direct Pay Program is available on the Accounts Payable website at www.csus.edu/acpy
- Use of the Petty Cash program for specific transactions costing less than \$50.00 as administered by the Student Financial Services Center. Information regarding the Petty Cash Program is available on the Student Financial Services Center website at <http://www.csus.edu/aba/Student-Financial-Services>

HOW TO REQUISITION SUPPLIES AND SERVICES

Several types of orders can be issued to a vendor from an approved requisition. Examples of these types are: Purchase Orders, Service Orders, Contract or Formal Agreement, and Leases (excluding Land and Property Leases)

The determination on which transaction document and method to be used by the Procurement and Contract Services Office is based on the item requested, the type of funding to be used and the dollar amount involved.

The Procurement and Contract Services Office responds to all departmental requests upon receipt of a requisition. Individual requestors must submit a requisition via the Common Financial System (CFS) for the acquisition of any goods or services to be purchased. Once a requisition is received it is then reviewed by the buyer of record. A buyer must review the requisition for completeness and accuracy. All applicable State or University regulations must be satisfied. Once reviewed and approved by the buyer the buyer converts the requisition to a purchase order and forwards to the vendor. This procedure must be followed for the reasons listed below:

- The campus Receiving Department cannot accept delivery of goods where no purchase order has been issued.
- The campus Accounts Payable Office cannot accept invoices and make payment without a valid purchase order.
- It is illegal to willfully disregard any regulation pertaining to University purchasing authority, established State contracting procedures, and bid requirements.

Departments are expected to provide at least one suggested vendor two or more is recommended whenever possible along with quotes provided from the vendor. The Procurement and Contract Services Office maintains a list of vendors for many products and services along with other resource material to aid you in locating a qualified vendor. The Buyer assigned to the requisition has the authority and may choose to issue the order to a vendor other than the vendor recommended by the department if it is in the best interest of the University to do so.

In the event a requisition is received in the Procurement and Contract Services Office with required information missing, the Buyer assigned to the request will contact the requester to ask for additional information. In instances where the Procurement and Contract Services Office can verify missing information quickly and correctly, the requisition will be processed without interruption. Departments are encouraged to upload requisition attachments in CFS when creating requisitions. Instructions for uploading attachments are located on the Procurement and Contract Services website at www.csus.edu/aba/procurement.

As a general rule, routine requisitions under \$50,000.00 will be processed into a purchase order within seven (7) business days from receipt by the Buyer. Non-routine or complex requisitions can take considerably longer, taking up to a few weeks. Providing the Procurement and Contract Services Office with complete and accurate requisitions will assure that your merchandise arrives quickly and correctly. Examples of incomplete requisitions may include: no vendor information or quotes attached to the requisition, no ATI prior approval or documentation, lack of complete descriptions as to the product or services being requested will in most cases delay the process time or in the worst case have the requisition cancelled.

Requisitions submitted with a recommended vendor which is a large business may be informally re-quoted by the Buyer to extend fair competition to a California Certified Small Businesses and/or Disabled Veteran Owned Business Enterprises (DVBE).

UNDER NO CIRCUMSTANCE SHOULD A UNIVERSITY EMPLOYEE CIRCUMVENT UNIVERSITY PROCUREMENT PROCEDURES BY ORDERING DIRECTLY FROM A VENDOR PRIOR TO RECEIVING AN AUTHORIZED PURCHASE ORDER NUMBER. ONLY PURCHASE ORDERS SIGNED BY THE “BUYER OF RECORD” SHOULD BE DISTRIBUTED TO VENDORS. NOTE: REQUISITION NUMBERS OR BID NUMBERS ARE NOT TO BE USED AS PURCHASE ORDER NUMBERS.

REQUIREMENTS COMMON TO ALL TRANSACTIONS

The contents of this section applies to all procurement transactions, i.e., acquisitions of personal property (goods) or services, information technology (IT) orders and contracts, and the sale, lease, and license of University personal property. It excludes Agreements listed under Contract Services which is covered separately in this manual. The intent of this section is to achieve the following:

- Clarification on the laws and policy with respect to competitive bidding requirements;
- Protection of the public from the misuse of state funds;
- A fair opportunity for all qualified bidders to enter the bidding process, thereby adhering to sound business practices and state fiscal policies;
- The elimination of favoritism, fraud, and corruption in awarding purchase orders and contracts.
- Obtain best value for the CSU while complying with Legislative intent.

Defining Characteristics of Purchase Orders, Service Orders and Contracts

Proper classification of requests is necessary as a first step in determining which solicitation process is appropriate.

A purchase order is signed unilaterally by a procurement official assigned to the Procurement and Contract Services Department; once issued under proper authorization to a vendor who has been duly informed of the intent to buy a *commodity*, offered at a specified time and price and under mutually agreed upon terms and conditions, and is a legally binding contract.

This is a purchase that has as its sole or main purpose the buying of tangible items, such as equipment, parts, supplies, or other merchandise. If any services are to be provided as well, the dollar value associated with the purchase of the goods must be greater than the dollar value of the services that will be provided.

A service order is an instrument that technically can be used in much the same manner as a purchase order (signed unilaterally by the issuer, “buyer of record”), except that a *service* rather than a *commodity* is proposed to be rendered to the requester and/or in support of academic or operational requirements associated with the requesting department.

Service means any work performed wherein the service rendered does not consist primarily of the acquisition of goods. This classification does not include public works project agreements, or professional service agreements in connection with a public works project.

A contract (bilateral agreement) is a formal agreement, signed by all parties who are to be bound (legally) by its terms and conditions. Contracts can be issued for any number of purposes, but usually the purpose is to acquire a service or commodity from a provider in exchange for some form of consideration (usually money). The CSU Agreement form is commonly the instrument used for such a contractual purpose. The above types of contracts are related to requisitions that are entered into CFS. There are other types of agreements in which requisitions

are not entered into CFS and do not involve payment to vendors/suppliers/contractors. These agreements are processed by the Procurement and Contract Services Contract Management Specialist and are included in the Contract Services section of this manual.

Competitive Solicitation

The promotion of fair and open competition by the University in the acquisition of goods and services to meet its needs is indispensable to maintaining its operational health. Not only does it normally result in the best use of the University's limited financial resources, but also by preventing favoritism, it provides a professionally viable climate in which the Procurement and Contract Services Office may conduct its business.

When properly implemented, it achieves optimal benefits to everyone involved, including the general public in regard to the best use of the University's budget as appropriated by the California Legislature.

There are numerous ways to promote fair and reasonable competition. They include, but are not limited to:

- Public advertising for bids or proposals
- The use of the California State Contracts Register (CSCR)
- Direct notifications to known vendors and service providers
- And initiating outreach programs through an extensive use of vendor and contractor source files for bidding purposes and simple telephone calls to obtain informal quotes.

Requisitions which are generally processed without **formal solicitation**, which is at the buyer's discretion are as follows:

- Requests for goods or services which total less than \$250,000.00 where the recommended vendor is a California Certified Small Business (SB) or Disable Veteran Business Enterprise (DVBE).
 - This solicitation format is referred to as the Small Business / DVBE Option.
Acquisitions may be awarded to a Certified Small Business or DVBE, as long as the campus obtains price quotations from two or more Certified Small Businesses or two or more DVBE's as referenced in Government Code Section 14838.5.
- Requests for goods or services which total less than \$50,000.00.
- Goods or services ordered from existing State Contracts, State Price Schedules, Consortium Agreements or CSU Master Enabling Agreements which have been competitively bid.

NOTE: Competition is not required for transactions under \$50,000 unless the Procurement and Contract Services Office determines that competition is necessary to develop a source, validate prices or for other sound business reasons to establish fair and reasonable pricing.

Informal solicitations may be secured either orally or in writing. The number of vendors from whom quotes or bids are solicited is the responsibility of the Buyer and will generally depend upon the size and/or complexity of the purchase, and market conditions.

Solicitation Methodologies

The selection of a vendor or contractor to satisfy a university need is not necessarily based upon the lowest responsible bid or quote received. While this certainly must be a prime criterion, the quality of the product or service, provider reliability, warranties and several other factors also can (and often should) enter into the decision for award of an order or contract.

In general, awards are based upon one of three different solicitation approaches:

1. A request for quotation (RFQ) may be utilized to obtain price quotes for products or services whenever the estimated cost is less than the threshold established in policy for acquiring formal bids. The RFQ is an informal solicitation methodology. This is not to be confused with Request for Qualifications (RFQ).
2. An invitation for bid (IFB) is a method used for the sealed bid process. Typically, an IFB includes a description of the product or service to be acquired, instructions for preparing a bid, the conditions for purchase, payment, contract clauses to be included and the deadline for submitting bids. Each sealed bid is opened in public at the purchasing office at the time designated in the invitation. All bids are read aloud and recorded. A contract is then awarded to the low bidder who is determined to be responsive to the university's needs. This is a formal solicitation process.
3. A request for proposal (RFP) not to be confused with an IFB includes all of the buyer's product or service requirements as well as a description of the required format, timing and content of the price quotes to be submitted. RFP's enable the buyer to ensure that all vendors have an equal understanding of the requirements and that the bids can easily be compared. RFP's are awarded on the basis of the highest score attained from an evaluation process and not necessarily on lowest bid, conveying essentially what is needed but leaves the detailed specifications to the proposer. This is considered a formal solicitation process and is the most complex of the solicitation processes.

Limits on Competitive Solicitation (use of Sole Source, Sole Brand and Or Equal clauses)

No agency or employee of the State of California may draft any specifications for bids in connection with the purchase of supplies or materials in such a manner as to limit the bidding to any one bidder. Likewise, no invitation for bid or request for proposal may be drafted for services in such a manner as to limit the bidding to a single bidder.

There are occasions when only a single source (or a single brand) exists or is suited to accomplish the need at hand. When this is the case, documentation is required to show why a non-competitive award must be issued. Such documentation is termed *justification*.

Except in cases where a product of a specified brand name is the only product that can properly meet the needs of a requester, the drafting or application of specifications or bid requirements that directly or indirectly limit the bidding to a single brand is prohibited. A *brand name or equal* is a competitive process that allows bidders to propose equivalent items.

Sole source or sole brand requests shall not be justified on the basis of:

- A lack of advance planning by the requiring activity
- Concerns related to the amount of funds available
- A previous non-competitively bid contract in which the price was zero or substantially below fair market price and the results of such contract caused the sole source or sole brand to be required on future contracts.

Sole source procurement is permissible only when a determination has been made and approved in writing and that only one source exists for the required product or service. A requirement for a proprietary (or sole brand) item does not necessarily justify sole source procurement, as more than one potential bidder or supplier may exist who can supply that item.

A request for a sole source acquisition or sole brand must include a written justification explaining why the sole source/sole brand is necessary to satisfy the needs of the requester. The justification shall include the following information:

1. The unique performance factors required;
2. Why these factors are required;
3. What other sources have been considered and rejected and why.

Limiting competition to a sole brand is prohibited except in the following instances:

1. The sole brand product is unique and essential to the CSU's requirements, and the justification requirements have been fulfilled, or
2. The sole brand product is required to match a similar product that has already been procured through a competitive process and the use of an alternate product would cause the CSU to incur substantial additional costs.

Sole brand procurement must be made via a competitive process. A sole brand available only from a single vendor is sole source procurement. The determination as to whether procurement has been adequately justified for a sole brand or source award shall be made by the Director of Procurement and Contract Services or higher authority.

The Procurement and Contracts Office provides Sole Source and Sole Brand Justification Forms on their website at [http://www.csus.edu/aba/forms.html#Procurements & Contracts](http://www.csus.edu/aba/forms.html#Procurements_&Contracts) for campus use. A completed form is required for sole source and sole brand requests that entail expenditures of \$50,000 or more.

Vendor Data Record (State Form 204)

A State Standard Form 204 must be completed by each vendor or contractor (except for a State or other governmental entity) doing business with the State of California and must be completed, signed and returned before payment is rendered. If not already on file Procurement and Contract Services will provide the form to the vendor with the purchase order. If the requesting

department obtains the form it should be forwarded to Procurement and Contract Services noting the requisition or purchase order number on the form.

The Form is located on the Procurement and Contracts Office website:

<http://www.csus.edu/aba/forms.html#Procurements & Contracts>

STRATEGIC SOURCING OPTIONS AND ALTERNATIVES

CSU Master Enabling Agreements

These agreements support the strategic sourcing efforts of two or more campuses by combining common requirements for specified goods and services, which avoids redundant solicitations and contracts, maximize volume discounts, and reduce administrative costs. Each CSU Master Enabling Agreement may have specific conditions for its use. These conditions may include: the extent to which competition requirements have or have not been satisfied, the naming of parties that may place orders against the CSU Master Enabling Agreement, and/or instructions on how to place an order. Log into the CSYou System wide intranet.

Multi-Year Contracts

A contract for non-IT goods, non-IT services or IT goods and/or services may be entered into any period of time deemed to be in the best interests of the University provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation.

In developing multi-year contracts, consideration should be given to the expected changes in the applicable price levels throughout the term of the contract.

Blanket Purchase Orders (BPO) and Multiple Awards

BPO are primary source agreements which are designed to supply goods or services on an ongoing basis for a designated period of time. The agreement generally establishes prices, terms, conditions, and the period covered. Quantities or minimum sales are not required. A BPO may not exceed applicable bid threshold limits without competition (formal or informal).

Awards may be initiated with more than one vendor or contractor for comparable products or services. Multiple awards may be used in instances where awarding to a single provider would be impractical or fail to satisfy the overall requirements of all potential users.

CSU Master Agreements

CSU Master *enabling* Agreements are instruments of a pooled purchase or consortium solicitation whereby all CSU campuses, may participate and take advantage of volume-discounted acquisitions. The CSU can also enter into such Agreements on a cooperative basis with select external organizations (such as other universities or public entities) wherever no conflicts exist in the laws, policies, and regulations that govern the respective contracting/purchasing operations.

Unless stated otherwise within the terms of the Master Enabling Agreement, acquisitions placed against Master Enabling Agreements that resulted from solicitations where multiple Master Enabling Agreements were awarded shall be competitively bid so as to result in offers from two or more of the vendors that were awarded a Master Enabling Agreement. Such competition may be the result of an informal bid process. Master Enabling Agreements resulting from a formal competitive process and where only one vendor was awarded an agreement do not require further competition.

State Contracts

The California State Department of General Services (DGS) negotiates State contracts and master agreements for commodities and services that generally represent the best value to State agencies and the CSU. They can be used whenever appropriate and can be found on the DGS Website at <http://www.dgs.ca.gov/pd/Programs/Leveraged/CMAS.aspx>.

A California Multiple Award Schedule (CMAS) is an agreement established between the DGS and vendors already contracted with the federal General Services Administration (GSA) and who agree to the State of California terms and conditions as imposed by the DGS.

Acquisitions based on CMAS or State Master Agreements shall be competitively bid so as to result in offers from three or more vendors including at least one Certified Small Business, if available.

Small Businesses and Disabled Veteran Business Enterprises

It is required by the CSU that all campuses utilize vendors who have been certified by the State of California as Small Business or DVBE whenever possible to ensure a fair portion of the total purchases and contracts be placed with such enterprises.

The CSU has established a Small Business Advocate and California State University, Sacramento has a designated campus Small Business/DVBE Advocate.

Acquisitions that are estimated to be greater than \$50,000.00 and less than \$250,000.00 may be awarded to a Certified Small Business or DVBE, as long as price quotations have been obtained from two or more Certified Small Business or DVBE without further competition.

The Buyer may elect to solicit quotations and issue orders to a Certified Small Business or DVBE instead of the recommended vendor for requisitions of any dollar amount if it can best serve to attain the small business and DVBE goals of the Procurement and Contract Services Office.

The State of California has established a 5% small business preference. The preference is applied during competitive bidding. To provide small businesses an opportunity to request preference, the small business preference form or equivalent statement must be included in all bid solicitations and proposals. Buyer must verify small business status prior to preference being granted. Small Business certification status can be verified at:

<http://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx>.

The CSU, in accordance with the State of California, requires all CSU campuses comply with annual DVBE goals of 3% participation.

In addition the campus policy is to require compliance with the DVBE requirement on agreements, purchases, or service orders whenever possible in order to obtain the 3% goal.

The DVBE participation requirement applies to all competitive advertised solicitations (e.g., RFQ, IFB & RFP) regardless of dollar value. CSU solicitations shall follow already – established DVBE participation guidelines defined in ICSUAM 5215-00. It is the responsibility of the buyer/contract analyst to evaluate potential DVBE participation requirements on a case-by-case basis as each procurement is unique. The DVBE Incentive established by SB 115 must be included on all advertised solicitations that are advertised on the CSCR and anytime the DVBE requirements are part of a solicitation. Utilization of the DVBE Incentive allows for more than the 3% participation goal for solicitations.

TYPE OF PROCUREMENT

DVBE REQUIREMENT

Exception to Competition Requirements
(CSU Policy 5206 - 400)

No requirement *

Leveraged Purchase Agreements
(MEA, State Contracts, Consortium Agreements)

No requirement *

Informal RFQ (not advertised on CSCR)

Competitive Bid (Formal)

DVBE participation required **

* There is no requirement for exceptions to competition requirements, however, best practice is to contact vendor and ask for SB and/or DVBE subcontracting possibilities.

** A waiver with justification must be included in solicitation/contract file.

DVBE WAIVER FOR FORMAL SOLICITATIONS

Perform a firm search via DGS Office of Small & Disabled Veteran Enterprise Services (OSDS) Website:

<https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx>

Ask Original Equipment Manufacturer (OEM) for DVBE resellers or subcontractors.

If working with a vendor that is a DVBE supplier and/or subcontractor but not certified, engage the vendor. Help educate the vendor on eligibility requirements and direct the vendor to OSDS so the vendor can be certified by DGS.

OSDS Contact Information

Business Hours:

8:00 am - 5:00 pm

Mailing Address:

Department of General Services
Procurement Division
Attn: Office of Small & Disabled Veteran Enterprise Services
707 3rd Street, 2nd Floor, MS 2-204
West Sacramento, CA 95605

Phone Number:

916.375.4400

Fax Number:

916.375.4662

Website: <http://www.dgs.ca.gov/pd/Programs/OSDS.aspx>

Change Orders to reflect Price Changes or Other Modifications

A **Change Order** is prepared by the Procurement and Contract Services Office in response to an Amendment Request from the campus requestor that details the need for a required change. Change Orders can include such things as price revisions, quantity adjustments, delivery or shipping corrections or descriptive changes in the goods or services being requested. An Amendment Request Form must be submitted to Procurement and Contract Services before a Change Order is prepared and issued. The Amendment Request Form shall be signed by the individual authorized to make the expenditure.

The Amendment Request Form is located on the Procurement and Contract Services website at http://www.csus.edu/aba/forms.html#Procurements_&Contracts.

Emergency Acquisitions

As defined in State statute, an *emergency* means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. When such an emergency requires the immediate issuance of a purchase order, standard agreement or service order that would otherwise require a formal bid solicitation, a justification must be prepared by the requestor that includes an attestation that an immediate threat to the public health, welfare or safety or damage to State property exists. The justification must describe what is being procured, why it is needed, and why formal bids could not be solicited. It must be approved by a department head and then submitted to the Procurement and Contract Services Office for approval.

Urgent Non-Emergency Requests

If you have a circumstance arise that requires urgent attention but is deemed a non-emergency, your request **must be entered into CFS**. Once entered, you may call the appropriate Buyer and, if approved, the request will be transferred on-line and assigned a purchase order number.

Splitting of Orders

Splitting of purchase orders to avoid the bidding requirements is not permitted. It is prohibited under any circumstances to circumvent these procedures by splitting purchases into a series of two or more requisitions for the same commodity or service.

Advance Payments

Payment in arrears is the prescribed method of remitting payments for State acquisitions. Advance payments on some types of transactions are permitted, this is an exception, however, where it can be determined that there is no other way to obtain the service or commodity, where the advance payment is determined to be in the State's best interests, or wherever specifically authorized in law it can be approved.

Multiple Requisitions Merged as a Single Order

Two or more requisitions from a given campus department shall, when required or when deemed practicable, be merged into a single purchase order. Since the processing of every purchase order incurs a cost factor, this policy is intended to cut administrative processing expenses. Multiple requisition numbers may be combined on a purchase order that is initiated automatically in CFS.

Prison Industry Authority

California Prison Industry Authority (PIA) is an agency within the State that operates as a training facility for rehabilitation purposes. A wide range of trades are taught resulting in the production of numerous items, which are in turn sold. A few of their principal products are furniture and custodial/janitorial supplies. California State University is encouraged to purchase items through Prison Industry Authority. Catalogs of their product line are located in the Procurement and Contract Services Office or online at www.pia.ca.gov.

REQUIREMENTS FOR SPECIFIC COMMODITY TRANSACTIONS

In addition to the requirements common to all transactions, special requirements contained in this section also apply to the procurement of personal property. As used in the following section, *personal property* and *goods* mean all types of tangible personal property, including materials, supplies and equipment.

Informal Bidding for Orders Less Than \$50,000

Competition is not required for commodities on informal (non-bid) acquisitions of an amount less than \$50,000 if the campus buyer assigned to the request determines the price has met fair and reasonable standards. The attainment of the standard of "fair and reasonable" may be determined by, but not be limited to, one of the following techniques:

- Catalog or Market Price – The price offered is supported by an established and verifiable catalog or market pricing medium issued by a responsible supplier and/or through an established reputable forum. In addition, the pricing structure provided is one that a prudent buyer would accept as a reasonable representation of existing market value.

- Price Comparison – A buyer has obtained quotes or offers within the last 6-month period from other responsible suppliers who provide evidence that a price obtained is deemed fair and reasonable.
- Historical Pricing – A buyer is able to demonstrate that other transactions occurring in the past 18 months show prices for similar acquisitions, which provides evidence that a price obtained is deemed fair and reasonable.
- Controlled Pricing – Law or regulation sets the price offered.

Acquisitions Less than \$250,000 from California Certified Small Business or Disabled Veteran Owned Business Enterprise

Whenever possible, efforts shall be made to secure quotations and develop sources from small businesses and disabled veteran business enterprises (DVBE). Small Businesses and DVBE companies who have contacted the Procurement and Contracts Office are identified on the Procurement and Contracts website: www.csus.edu/proc.

The SB/DVBE Option applies to acquisitions valued less than \$250,000.00. Acquisitions of personal property that are estimated to be less than \$250,000 may be awarded to a Certified Small Business or DVBE, as long as the campus obtains price quotations from two or more Certified Small Businesses or two or more DVBE’s as referenced in Government Code Section 14838.5.

Acquisitions Equal to or Greater than \$50,000 and Equal to or Less than \$100,000

Acquisitions for non-IT goods that are estimated to be equal to or greater than \$50,000, and equal to or less than \$100,000 may be the result of an informal non-advertised solicitation process. The informal solicitation must be based on a written project scope documenting the requirements and characteristics the non-IT goods must possess in order for the RFQ submittals to be responsive. Written or verbal responses based on the project scope must be obtained from at least three vendors.

Acquisitions Greater than \$100,000.00 - Formal Bidding

A. All acquisitions greater than \$100,000.00 shall be awarded as the result of a formal solicitation process. The formal solicitation shall comply with all requirements for formal solicitation of goods. **All other acquisitions:**

Except in cases where it has been determined that (a) only one source - including opportunity purchases - or that only one brand or trade name of a commodity will properly meet the needs of the CSU or (b) if the commodity is to be purchased from a certified Small Business at a cost estimated to be at least \$50,000.00 but less than \$250, 00.00. All purchases of \$50,000.00 or more (excluding sales tax and shipping costs) must be formally bid and awarded to the lowest responsible bidder meeting specifications.

Office Supplies

A full line of office supplies is available through a CSU multi-campus agreement with Staples the CSU Preferred Provider of Office Supplies. Departmental requesters are provided with

computer-accessed catalog ordering and a direct ordering link with the vendor. Requests for routine consumable office supplies are required to be placed with Staples per the contract unless otherwise noted.

When supplies are required that are not available from the current contracted vendor, the requestor may use a University Procurement Card. Equipment, furniture, medical supplies, cleaning supplies and other items in the office supply catalog are not considered routine office supplies. Those needs must be requested with a requisition via CFS, unless the use of the Procurement Card is approved by the Buyer of Record, Procurement Card administrator or Procurement Supervisor or Director of Procurement.

Printing

All requests for printing must have approval from the Reprographics Department, on campus, before Procurement will process the request. Requirements for printing are to be submitted on a requisition via CFS unless the use of the Procurement Card is approved by the Buyer of Record, Procurement Card administrator or Procurement Supervisor or Director of Procurement. Printing may not be purchased using Direct Pay programs. Many of your printing needs can be performed on campus. If special printing is required, an outside vendor can be used if the above approval is granted. Off campus printing requirements are subject to the same bid requirements as all other requisitions so plan your printing needs in advance.

Food and Food Related Purchases

Off-Campus vendors are not allowed to deliver food to campus events unless approved by the University Enterprise, Inc. (UEI) Dining Services department. It is the responsibility of the organization to pick-up and to deliver food to the event when purchased from outside vendors. Otherwise, the off-campus vendor is considered to be catering the event

The purchase of food and food related items fall into two categories:

1. Catered Food and Events – All food from University Enterprises, Inc. (UEI) falls into this category as well as other catered events from vendors other than UEI.

All services for food or other items which involve catering can be paid with the campus procurement card or via a requisition through the CFS system. If you are using a requisition you should submit well in advance of the event to allow adequate time for processing. Lack of advance planning for large events can lead to a delay in the event. The purchase order number will be provided to the vendor by the requesting department for invoicing purposes.

To ensure your request is processed as efficiently as possible please follow the UEI Policy and Procedure for Events and Catering.

- <http://www.dining.csus.edu/epicure-catering-at-sacramento-state/>

- http://www.csus.edu/aba/Accounts-Payable/Documents/hospitality/Procedures_Hospitality_Expenses_Dec_2014_AD_M_0111.pdf

2. Non-Catered Food Purchased from vendors other than UEI

The purchase of food from any vendor where catering is not involved can be done using one of the following methods.

- Procurement Card
- Direct Pay (reimbursement over \$50.00)
- Petty Cash (reimbursement up to \$50.00)

Campus employees who do not have a procurement card and must pay for business related food expenses may request reimbursement after the fact via either the Direct Pay Program or the Petty Cash Program depending on the dollar amount of the purchase (see above for applicable dollar thresholds).

All non-catered food purchases must include description and date of event, list of attendees, justification for service, and receipt showing proof of payment.

Blanket orders for food related expenses are not allowed for individuals but are allowed for department business on a case by case basis.

All food purchases must meet the Hospitality Expenses policy per ICSUAM 1301.00 as stated in the California State University, Sacramento Policy Manual. The Hospitality Expenses policy can be reviewed at the following web address:

<http://www.csus.edu/aba/Accounts-Payable/Hospitality.html>

Equipment

State property is classified as either expendable (operating expense) or non-expendable (equipment).

1. **Expendable Property** consists of (a) expendable tools and equipment and (b) materials and supplies. Expendable property is purchased from operating expense allotments.
2. **Non-expendable Property** consists of (a) land, (b) improvements, (c) equipment, and (d) intangible assets, such as patents or copy rights. Equipment is defined as movable articles of non-expendable property which have all the following characteristics and are purchased from equipment expense allotments:
 - A normal useful life (including extended life due to repairs) of two years or more.
 - An identity which does not change with use (i.e. not consumed by use or converted by fabrication into some other form of property).

Instructional Equipment with a cost over \$500.00 must be placed on a requisition. The Procurement Card may not be used to secure this type of Equipment.

Non- Instructional Equipment with a cost over \$1000.00 must be placed on a requisition. The Procurement Card may not be used to secure this type of Equipment.

Equipment items will be designated as equipment orders by the Buyer and an Equipment Expense account must be used.

There are exceptions, if you are in doubt about a classification, call Procurement at X87322.

Carpeting

Only designated areas as indicated in the State Administrative Manual are authorized to receive carpeting. All carpeting must be discussed with and approved by Facilities Management. Facilities Management will request carpet for an authorized department through the public works process via Contract Services

Security Systems

All security/alarm systems must have the approval of Public Safety and Facilities Services before submitting a request through CFS. Procurement will require a written authorization from Public Safety and Facilities Services before proceeding with the request.

Vehicle Purchases, New and Used

Vehicles are classified as personal property with no special procurement requirements; which includes electric vehicles and carts. Any trade in involving current vehicles towards the purchase of new or used vehicles shall be pre-approved by the Buyer of record.

Copy Machines and Duplicating Equipment

All requests for copy machines and duplicating equipment must have approval from the Photocopy Division within Information Resources and Technology Department, before Procurement and Contract Services will process the request. In addition to Photocopy approval all copy machines and duplicating equipment must have Accessible Technology Initiative (ATI) approval by the Information Resources and Technology Department. Requirements for copy machines and duplicating equipment are to be submitted on a requisition via CFS and are not allowed to be paid through the Procurement Card or Direct Pay programs.

Hazardous Materials

Purchases of hazardous materials are restricted by the university to only those offices and individuals that are specifically authorized to do so. The Hazardous Substances Information and Training Act in the California Labor Code specifies that purchase orders for chemicals, solvents or other products that may contain any kind of hazardous material MUST be delivered by the vendor with a current Material Safety Data Sheet for the commodity being purchased.

Recycled Products

The Procurement and Contract Services Office is required to establish purchasing practices that ensure, to the maximum extent economically feasible, the purchase of materials, goods and supplies that are recycled or have recycled material within their content. Purchases of materials, goods and supplies that are recycled or have recycled material within their content shall be given preference whenever fitness and quality are equal and the cost of such products is no greater than that of their non-recycled counterparts. The Procurement and Contracts web site under Sustainability can help you with the selection of recycled products.

Additional Information related to statewide recycled products and buy recycle programs is located on the Cal Recycle website at: <http://www.calrecycle.ca.gov/BuyRecycled/>.

Restricted Purchases

The purchases of certain products are restricted by the University. Authority to purchase certain restricted products is limited to designated departments and/or individuals on campus. Some of the items that are restricted include, but are not limited to:

- Live animals
- Two-way radio equipment and licensed frequencies
- Janitorial supplies
- Power tools
- Appliances
- Personal items
- Fire extinguishers
- Radioactive materials
- Medical supplies
- Equipment
- Hazardous substances such as solvents, toxic materials, and chemicals, ethyl alcohol, narcotics and dangerous drugs
- Firearms and other weapons
- Precious metals, and explosives
- Facilities Management Supplied Items such as heaters, fans, lighting, lightbulbs

REQUIREMENTS SPECIFIC TO SERVICE TRANSACTIONS

In addition to the requirements common to all transactions, special requirements contained in this section also apply to the procurement of services either via a purchase order or formal contract.

This Section shall apply to the following kinds of transactions:

- Service Agreements;
- Independent Contractor and Consulting services;
- Equipment rental or lease agreements;
- Service Orders.

This Section shall not apply to the following kinds of contracts:

- Public Works Agreements, including public works maintenance contracts;
- Professional Services Agreements in connection with a public works project (such as contracts for architectural or engineering services);
- Lease, license, sales or exchange of real property;
- Purchase of goods (materials, supplies or equipment).
- Software License Agreements

Informal Bidding for Services

All transactions made under the CSU procurement authority shall be designed to encourage active competition among all those seeking to become providers of services to the campus. Efforts shall also be made to secure quotations and develop sources from Small Businesses and disabled veteran business enterprises.

Competition is not required for services on informal (non-bid) acquisitions of an amount less than \$50,000 if the campus buyer assigned to the request determines the price has met fair and reasonable standards. The attainment of the standard of “fair and reasonable” may be determined by, but not be limited to, one of the following techniques:

- Catalog or Market Price – The price offered is supported by an established and verifiable catalog or market pricing medium issued by a responsible supplier and/or through an established reputable forum. In addition, the pricing structure provided is one that a prudent buyer would accept as a reasonable representation of existing market value.
- Price Comparison – A buyer has obtained quotes or offers within the last 6-month period from other responsible suppliers who provide evidence that a price obtained is deemed fair and reasonable.
- Historical Pricing – A buyer is able to demonstrate that other transactions occurring in the past 18 months show prices for similar acquisitions, which provides evidence that a price obtained is deemed fair and reasonable.
- Controlled Pricing – Law or regulation sets the price offered.

Acquisitions Less than \$250,000 from California Certified Small Business or Disabled Veteran Owned Business Enterprise

Whenever possible, efforts shall be made to secure quotations and develop sources from small businesses and disabled veteran business enterprises (DVBE). Small Businesses and DVBE

companies who have contacted the Procurement and Contracts Office are identified on the Procurement and Contracts website: www.csus.edu/aba/procurement.

The SB/DVBE Option applies to acquisitions valued less than \$250,000.00. Acquisitions of personal property that are estimated to be less than \$250,000 may be awarded to a Certified Small Business or DVBE, as long as the campus obtains price quotations from two or more Certified Small Businesses or two or more DVBE's as referenced in Government Code Section 14838.5.

Acquisitions Equal to or Greater than \$50,000 and Equal to or Less than \$100,000

Acquisitions for non-IT services that are estimated to be equal to or greater than \$50,000, and equal to or less than \$100,000 may be the result of an informal non-advertised solicitation process. The informal solicitation must be based on a written project scope documenting the requirements and characteristics the non-IT services must possess in order for the RFQ submittals to be responsive. Written or verbal responses based on the project scope must be obtained from at least three vendors.

Acquisitions Greater than \$100,000.00 - Formal Bidding

All acquisitions greater than \$100,000.00 shall be awarded as the result of a formal solicitation process. The formal solicitation shall comply with all requirements for formal solicitation of services.

Service Order

A Service Order may be used to obtain various kinds of services on an informal basis (the cost must be less than \$50,000.00) whenever it is determined that there is no need to require both parties to sign a formal agreement, or where timing or circumstances (such as an emergency repair) make it impractical to employ a formal agreement. The Purchase Order form is normally used to accomplish the objectives of a Service Order.

Commencement of Work

Except in cases of emergency to protect human life or State property, work shall not commence on any contract until the contract has been approved by the appropriate authority (**Procurement and Contracts Department**). Any work performed by the contractor before the date of approval can be considered as having been done at the contractor's own risk, and potentially as volunteer work.

Moving Expenses

Operating policies and procedures that govern moving expenses and relocation allowances for newly recruited University personnel and active employees are maintained by the Accounts Payable Office. The Accounts Payable Department is also responsible for the issuance of a travel order with the household goods moving company that is specified on a departmental travel requisition. Negotiated CSU system-wide Master Agreements for personnel relocation may be available for any given move and are encouraged to be used.

Independent Contractors and Consultants

Service contracts between the campus and individual contractors (including *consultants*) are useful for providing the campus with certain skills and working experience that may not be available from the ranks of existing staff for a particular task or that are inaccessible at the time the task is to be performed. Supporting documentation for such contracts must confirm, however, that an independent working relationship will exist between the two parties for the entire term of the agreement. Information to help requestors determine independent contractor/employee status is available by visiting the Procurement and Contract Services website at www.csus.edu/aba/procurement by clicking on the “FORMS” link then clicking on the “Independent Contract/Employee Status” form.

The form should be uploaded in CFS and attached to the requisition. After assignment of the requirement the buyer of record will forward the form to Human Resources for review determination (approval or disapproval). The requisition will be placed on hold until Human Resources has completed their evaluation process. Upon receipt of the approved documentation, the buyer of record will move forward with a contract. **Services may not begin until review, approval and issuance of contract documents are complete.**

Formal Bids or informal quotes may or may not be solicited for an independent contractor depending upon (a) whether the cost of the contract is estimated to be \$50,000.00 or more, and (b) whether the proposed provider of the service is considered to be a sole (unique) source. ***A proposed contractor cannot be an employee of the CSU.***

Guest Artists and Lecturers

A commitment for a guest artist performance or a lecturer’s appearance should take the form of a Direct Payment request and be submitted to the Accounts Payable Office for payment. Sole source justification is not required due to the unique nature of the service. Occasionally, the guest or guest’s agent will provide a *contract* for signing. The *contract* must be reviewed, approved and countersigned by the Procurement and Contract Services Office prior to the service being performed. Also, a Vendor Data Record Form must be completed by the guest or guest’s agent at this time.

IMPORTANT: If the guest artist or lecturer is a non-resident alien, advance notification must be given to Accounts Payable because of the required documents that need to be obtained. Please contact the Accounts Payable supervisor as soon as possible when arranging your event. Go to <http://www.csus.edu/audit/NRAPayment.htm> for more information.

Risk Management and Liability Insurance Requirements

The Risk Management Office is responsible for minimizing liabilities to the University and ensuring that the insurance requirements of the university are met. The Procurement and Contract Services Office assists the Risk Management Office by securing standardized insurance documentation and forwarding the insurance certificates and support documents to Risk Management for approval.

Evidence of general liability insurance or bond coverage is required for contracts involving any activities that put the State, the CSU or the campus at risk. Such agreements include, but are not

limited to, those for custodial services, landscaping, refuse collection, elevator maintenance, shuttle bus services, pest control, equipment rental or repair, building repairs, and any other contracts where the services are being performed on campus. The faculty, staff and department heads are encouraged to visit the Risk Management website for more information:

<http://www.csus.edu/aba/rms>.

Employment Advertising

Departments shall utilize their Procurement Card for the placement of job advertisements. Departments that do not have a Procurement Card may access the Procurement Card Program through the Procurement and Contract Services by visiting the Procurement and Contract Services website at www.csus.edu/aba/procurement and clicking on the “FORMS” link then clicking on the “Procurement Card/Marketplace/Stockless Supply Request/Update” form to download.

Direct Receipts of Commodities by Requesters

Requesters may receive items directly from a vendor in two ways:

1. Requester or requester’s department picks up the item.

The requestor or requester’s department may pick up an item directly from a vendor whenever such action is appropriate, but the desire to pick up items must be noted on the requisition submitted to the Procurement and Contract Services Office in the CFS comments section. Failure to add the comment may result in either a non-shipment or a double shipment of the item.

2. Vendor delivers order directly to the requester’s department without going through Central Receiving.

Whenever the requester or requester’s department receives the item directly, Central Receiving must be **immediately notified of the receipt**. A failure to notify can result in a late payment to the vendor and a late payment penalty charge against the University.

REQUIREMENTS SPECIFIC TO INFORMATION TECHNOLOGY GOODS/SERVICES

Information Technology is defined to include, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications which include voice, video, and data communications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.

Informal Bidding for Orders Less Than \$50,000

Competition is not required for IT goods and services on informal (non-bid) acquisitions of an amount less than \$50,000 if the campus buyer assigned to the request determines the price has met fair and reasonable standards. The attainment of the standard of “fair and reasonable” may be determined by, but not be limited to, one of the following techniques:

- **Catalog or Market Price** – The price offered is supported by an established and verifiable catalog or market pricing medium issued by a responsible supplier and/or through an established reputable forum. In addition, the pricing structure provided is one that a prudent buyer would accept as a reasonable representation of existing market value.
- **Price Comparison** – A buyer has obtained quotes or offers within the last 6-month period from other responsible suppliers who provide evidence that a price obtained is deemed fair and reasonable.
- **Historical Pricing** – A buyer is able to demonstrate that other transactions occurring in the past 18 months show prices for similar acquisitions, which provides evidence that a price obtained is deemed fair and reasonable.
- **Controlled Pricing** – Law or regulation sets the price offered.

Acquisitions Less than \$250,000 from California Certified Small Business or Disabled Veteran Owned Business Enterprise

Whenever possible, efforts shall be made to secure quotations and develop sources from small businesses and disabled veteran business enterprises (DVBE). Small Businesses and DVBE companies who have contacted the Procurement and Contracts Office are identified on the Procurement and Contracts website: www.csus.edu/aba/procurement.

The SB/DVBE Option applies to acquisitions valued less than \$250,000.00. Acquisitions of personal property that are estimated to be less than \$250,000 may be awarded to a Certified Small Business or DVBE, as long as the campus obtains price quotations from two or more Certified Small Businesses or two or more DVBE's as referenced in Government Code Section 14838.5.

Acquisition of IT Goods or Services, including Consulting, Equal to or Greater than \$50,000 and Equal to or Less than \$500,000

Acquisition of IT requirements that are estimated to be equal to or greater than \$50,000, equal to or less than \$500,000 may be the result of an informal non-advertised solicitation process. The informal solicitation must be based on a written project scope documenting the requirements and characteristics the IT goods or services must possess in order for the proposal to be responsive. Written responses based on the project scope must be obtained from at least three vendors.

Contracts shall be awarded based on the proposal that provides the most value-effective solution to the requirements.

Acquisitions Greater than \$500,000

Acquisitions of IT requirements estimated to result in contracts greater than \$500,000 shall be awarded as the result of a formal solicitation process. The formal solicitation shall comply with all requirements for formal solicitation of IT goods or services, as applicable, contained in ICSUAM Policy 5000 Series.

LONG TERM OR MULTI-YEAR CONTRACTS

A contract for goods or services may be entered into for any period of time deemed to be in the best interests of the university provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation.

STOCK RECEIVED REPORTS

Central Receiving is responsible for entering Stock Received Report information into CFS on all orders delivered through Receiving. **It is the responsibility of the department to submit a Stock Received Report to the Receiving Department to be entered into CFS on orders that bypass the Receiving Department (i.e., goods delivered directly to the department or picked-up by the department).**

Orders placed through Procurement Services and picked-up by the department or delivered directly to the department by the vendor must use the following procedures:

1. Upon receipt of the order, the department will complete the Stock Received Report and email ((stockreceived@csus.edu) or fax ([8-6319](tel:8-6319)) the document to Central Receiving.

The document is located at:

[http://www.csus.edu/aba/forms.html#Procurements_ & Contracts](http://www.csus.edu/aba/forms.html#Procurements_&Contracts)

Departments should insure the form includes the following information:

- Purchase Order Number
 - Which items were received
 - Whether the order is partially or completely received.
 - Signature of person responsible for receipt of the order.
 - Date the order was received.
2. Central Receiving will then enter the information into CFS.

STOCK RETURNED REPORT

Periodically you will receive a package which (1) does not contain what you ordered, (2) is damaged, (3) is a duplicate of an order already received, or, (4) a problem has developed after the order has been issued and the materials received.

You must, **at the time a problem is discovered**, complete a Return Merchandise Authorization. The form is available on the Procurement and Contract Services website at www.csus.edu/proc and clicking on the “FORMS” link then click on the “Return Merchandise Authorization form”. Instructions on how to complete the form are provided on page 2.

Upon notification by the vendor (Return Authorization), Procurement and Contract Services will notify Central Receiving and the merchandise will be picked up at the requesting department by Central Receiving. Departments are advised that if the return involves a modification of the

purchase order, an “Amendment Request form” will need to be completed. The amendment request form is also located on the Procurement and Contract Services website at www.csus.edu/aba/procurement under “FORMS”.

Be sure to keep all paperwork that is received with the materials in the package.

Packages are not to be returned to Central Receiving through the campus mail. Central Receiving will pick up returned items upon notification by Procurement and Contract Services.

If you have already contacted the vendor and made arrangements to have the material returned please check the appropriate box on the bottom portion of the report before sending to Procurement and Contract Services.

The following actions and/or information should be provided by the vendor:

- Authorization to return the item(s)
- Return Merchandise Authorization Number
- Replacement with the correct item if applicable

CONTRACT SERVICES

Contracting Authority

Contracting authority on Campus is derived from a CSU Trustees delegation to the Chancellor who delegates authority to each campus President who in turn delegates within the campus. Delegation of Authority EO775 delegates the Acquisition of Personal Property and Services to only duly authorized contracting and procurement personnel.

The Campus maintains separate delegation of authority for contracts and agreements that do not fall under Executive Order 775, such as public works, leases and agreements through Contract Services.

Contract Approval Policy

All Contractual agreements which would bind California State University, Sacramento must be reviewed by the Contract Services Section of Procurement and Contract Services. This review is required regardless of monetary considerations. Proposed contracts and/or agreements and subsequent changes to contracts and/or agreements must be submitted to Contract Services for review and coordination of agreement approval.

(Agreements associated with a CFS requisition/purchase order should be forwarded to the Procurement and Contract Services Staff member assigned to that requisition.)

Roles and Responsibilities

The roles and responsibilities for the development and administration of business contracting are defined to ensure the following basic functions are accomplished:

- Policy compliance and approval of exceptions
- Preparation of the contract document
- Negotiation with the contracting entity if required
- Legal review, if required will go to University Counsel

The Contracting Services section coordinates the contracting activities of campus from the initial departmental request to the completed and signed contract.

Contracting Services is responsible for:

- Developing strategies, defining responsibilities, and coordinating activities associated with the contracting process.
- Facilitating the final preparation and execution of the contract document including business, policy and legal review.
- Working with the requesting department and with other oversight departments such as University Counsel, Risk Management, and Public Affairs.
- Acting as the office of record for the executed contract.

Campus departments requesting contract assistance from Contracting Services are responsible for:

- Obtaining approval at the appropriate level prior to submitting the requests to Contract Administration.
- Providing complete and sufficient information to describe the scope and objectives of the proposed contract, identify the institutional interests to be served, and assess any potential risk and financial impact.
- Making business and programmatic decisions regarding the contract and contract performance. Departmental participation in the contracting process may vary significantly depending on the nature of the contract.

Types of Agreements

Construction Agreements & Construction Related Services (Public Works)

Projects which involve the erection, construction, alteration, repair or improvement to any State structure, building, road, or other improvements are considered Public Works projects. All Public Works projects are coordinated through Facilities Management for processing by Contract Services.

Land and Property Leases

Agreements for long term leasing of space (offices, classrooms, etc.) from commercial companies or auxiliaries also includes the lease of campus facilities to off campus entity or auxiliary, and the lease of campus land.

It is required that Contract Services shall be contacted for consultation in advance of the initiation of any action toward the development or execution of a lease on real property.

Memorandums of Understanding

A memorandum of understanding (MOU) is a document describing an agreement between parties. It expresses a common interest. It is often used in cases where the parties wish to state an agreement in writing which does not include a financial element. A MOU may be used to define a relationship between campus departments, auxiliaries or other agencies.

Revenue Agreements

A binding agreement between the University on behalf of a campus department and another party that defines the terms under which revenue will be received.

Student Placement and Internship Agreements (Clinical and Non-Clinical)

A student placement/internship agreement formally integrates the student's academic study with practical experience in a cooperating organization. It is an off-campus activity designed to serve educational purposes by offering experience. Different types of agreements are used for clinical placement, non-clinical placement as well as teacher preparation placements.

Service Learning Agreement

A teaching method that promotes student learning through active participation in service experiences in the community that are substantively related to course content. A Service-Learning Course is an academic course (in any discipline) that provides students opportunities to participate in organized service activities that meet community needs while linking the community service experiences to the course content.

International Activities Agreements

Agreements for International Activities involving students including Student Exchange, Study Abroad, Agent Recruitment, Articulation, and Degree Abroad Programs.

Agreements to Borrow Artwork

Agreement between the University on behalf of a department or gallery to borrow artwork from the artist or other lender for exhibition or display at the University for a Specific Timeframe.

Housing Leases

Agreement for use of conference housing in the Residence Halls. Housing Leases are coordinated through the Housing and Residential Life Office who submits to Contract Services for processing of the agreement.

Presidential Leases

A Presidential Lease is used for campus sponsored events or events for campus departments. Presidential Lease requests are coordinated through the campus Space Management Office who submits to Contract Services for processing of the agreement.

License Agreements (not including software)

A License Agreement is used for non-campus sponsored events or events from agencies not associated with the University who wish to use campus space. License Agreement requests are coordinated through the campus Space Management Office who submits to Contract Services for processing of the agreement.

ADDITIONAL INFORMATION

Common Financial System (CFS)

CFS is an internet-based real time system which enables the University to automate requisition and purchasing functions and therefore reduce the paperwork required by both the departments and the Procurement and Contract Services staff.

This system allows for electronic entering of department requisitions which are then converted to purchase orders by the Procurement and Contract Services Office.

Each system operator is assigned a user name and password to allow them access to CFS in order to enter and review necessary information. To obtain access to CFS, contact the Information Resources and Technology Department-Administrative Computing Services at ext. 87456 or click <http://www.csus.edu/irt/ACS/index.html> to visit their website.

Detailed information and training materials for CFS are available at the Administrative Computing Services website at www.csus.edu/irt/ACS/Reference/CFS/.

Procurement Card Program

The Procurement Card Program is part of the Procurement and Contract Services Department. The Procurement Card is used by Sacramento State employees who have been delegated authority to purchase small-dollar items for University use. The cardholder is authorized to purchase directly on behalf of Sacramento State. The bill is paid by Sacramento State to the bank.

For more information regarding the Procurement Card Program visit the Procurement and Contract Services website at www.csus.edu/aba/procurement.

Accessible Technology Initiative (ATI)

In 1998, Congress amended the Rehabilitation Act of 1973 to require Federal agencies to make their electronic and information technology (EIT) accessible to people with disabilities. Inaccessible technology interferes with an ability to obtain and use information quickly and easily. Section 508 was enacted to eliminate barriers in information technology, opening new opportunities for people with disabilities, and encouraging development of technologies that will help achieve these goals. The State of California established the Accessible Technology Initiative (ATI),” California Government Code 11135 and California State University (CSU) released Executive Order (EO) 926. ATI reflects the CSU’s ongoing commitment to provide access to information resources and technologies to individuals with disabilities. This commitment is articulated in Executive Order 926 (EO 926), the CSU Board of Trustees Policy on Disability Support and Accommodations: "It is the policy of the CSU to make information technology resources and services accessible to all CSU students, faculty, staff and the general public regardless of disability.”

The Information Resources and Technology Department has oversight of ATI for our institution. Procurement policy and guidelines related to ATI is located at www.csus.edu/proc under “Accessible Technology”.

Invoices

Occasionally a vendor will send an invoice directly to the requesting department for items they have requested. All invoices and questions regarding invoices should be directed to the Accounts Payable Department, X-86476, mail stop 6004.

Property Accounting and Inventory

This function is performed by the campus Property Management unit. There are certain items of State tangible property that are required to be shown on the accounting records as capitalized assets in CFS. Such items shall meet the following three criteria to be so included:

- A. Have a normal useful life of at least one year;
- B. Have a unit acquisition cost of at least \$5,000;
- C. Be used to conduct State business.

Sensitive equipment that is easily subject to theft or loss are tagged and tracked by campus departments, but is not capitalized. Such items include (but are not necessarily limited to) laptops, iPad, musical instruments other high tech equipment and components that departments determine to be vulnerable.

Conflict of Interest

Political Reform Act of 1974

The Political Reform Act of 1974 contains a general prohibition against conflicts of interest in public decision making, as well as a provision for the adoption of a CSU conflict of interest code. It prevails over any other conflict of interest law to the contrary. Gov't Code § 81013. The restrictions of this Act apply to all CSU employees, without regard to whether they are required to file an annual conflict of interest form.

“No public employee at any level of state or local government shall make, participate in making or in any way attempt to use his [or her] official position to influence a governmental [CSU] decision in which [s/he] knows or has reason to know [s/he] has a financial interest.” Gov't Code § 87100. Any person who willfully violates the general prohibition is guilty of a misdemeanor. Gov't Code § 91000. This prohibition applies to all CSU employees.

CSU Conflict of Interest Code

The Political Reform Act requires CSU to adopt a formal conflict of interest code. The CSU's code requires the employees who are most likely to be involved in university decision-making to file an annual disclosure form. The purpose of this form is to alert employees to their personal interests that might be affected while they are performing their official duties. Disclosure also helps inform the public about potential conflicts of interest.

Form 700 (Disclosure)

Every employee in a position designated by the code must complete an annual statement of economic interests called a Form 700. A list of designated positions is published by the CSU every year, and is occasionally amended to reflect changes in position names and decision-making authority.

CSU assigns a disclosure category or categories to each designated employee position, depending on the level of the position and the likelihood that the person holding it will be drawn into particular conflict situations. The disclosure categories identify the types of personal economic interests which the employee must disclose. Each employee in a position designated by the code will receive a Form 700 every year and a cover letter that identifies his/her specific disclosure categories.

The Form 700 must be filed by April 1 each year with the campus filing officer. In addition to the annual filing, the Form 700 is also required to be filed when the employee first comes in to a designated position, and when the employee leaves a designated position. Failure to file a Form 700, or disclose a reportable interest may result in penalty being assessed against the individual employee including monetary penalties for as much as \$5,000 per violation or three times the amount illegally obtained.

Other possible topics or items

- Unauthorized Purchases Policy
- Links

PROCUREMENT AND CONTRACT SERVICES ACRONYMS

Acronym	Full Spelling
ATI	Accessible Technology Initiative
BPO	Blanket Purchase Orders
CFS	Common Financial System
CMAS	California Multiple Award Schedule
CO	Change Order
CSCR	California State Contracts Register
CSU	California State University
DGS	Department of General Services
DVBE	Disabled Veteran Owned Business Enterprises
EIT	Electronic and Information Technology
EO	Executive Order
GSA	General Services Administration
ICSUAM	Integrated California State University Administrative Manual
IFB	Invitation for bid
IRT	Information Resources Technology
IT	Information Technology
MOU	Memorandum of Understanding
OEM	Original Equipment Manufacturer
OSDS	Office of Small and Disabled Veteran Enterprise Services
PIA	Prison Industry Authority
PO	Purchase Order
PW	Public Works
REQ	Requisition
RFP	Request for proposal
RFQ*	Request for quotation or Request for Qualifications
SB	Small Business
SB	Service Blanket
SO	Service Order
UEI	University Enterprise, Inc.