URI’s understanding of the revisions to the BOG Procurement Regulations

Process for purchases pursuant to 37-2-7(16) & 37-2-18.2

1. **Purchases between $500,000 and $1,000,000**

   Prior notification of all purchases in excess of $500,000 but not exceeding $1,000,000 will be made by the institution Purchasing Office via a copy of the award. The award will be e-mailed to Susan LaPanne and Hope Schachter. Notification will be based on the individual award amount; not the requisition estimate amount.

2. **Purchases in excess of $1,000,000 must be approved by the Commissioner or designee as follows (inclusive of non disclosed contingency):**

   A. **Construction projects** – the institutions will solicit the Public Bid, the OCP or designated office will evaluate and meet with the apparent low bidder. The OCP or designated office will write a memo of recommendation on behalf of Vice President for Administration and Finance. The memo will include a signature line for the Commissioner to concur and will include a summary of the responses. Upon approval by the VP for Business Administration, the VP’s office will forward to the Associate Commissioner via e-mail for review/approval of the Commissioner for review/approval. Once the commissioner has approved the recommendation the Associate Commissioner will e-mail the approval to the institution Purchasing Office for issuance of a “Tentative Award” letter will be issued by URI Purchasing followed by an award.

   B. **Non-Construction** – the institutions Purchasing Office will provide the OHE with a copy of the college requisition, summary of responses (bid tabulation) and/or sole source justification along with a Non Construction/Non A&E/Consultant Award in excess of $1,000,000 form (see attached).

   C. **Advice of Changes** (change in project scope of work)
      - If a purchase order is issued for an amount less than $500,000 and we receive an advice of change requisition to increase the PO, putting the value in excess of $500,000, the institution will forward a copy of the original award plus the advice of change as notification.
      - If a purchase order is issued for an amount less than $500,000 and we receive an advice of change requisition to increase the PO, causing the award to exceed $1,000,000 we will follow the above procedures for purchases in excess of $1,000,000 for review and approval.
      - If a purchase order is issued for an amount in excess $1,000,000 and there are advice of change after the award, any advice of changes will require approval from the Commissioner. The OCP or designated office will write a memo of explanation on behalf of the Vice President for Administration and Finance. The memo will include a signature line for the commissioner to concur. Upon approval by the VP for Business Administration, the VP’s office will forward to the Commissioner for review/approval. Once the commissioner has approved the change(s), an advice of change will be processed by the Purchasing Office.

   D. **Change Order (use of contingency funds)** – Change orders to utilize the contingency will not require approval from the OHE as long as the contingency amount is identified in the original request for the Commissioner’s approval.

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3. **A&E/Consultant Services up to $20K** – Currently, the institutions will solicit proposals for A&E/Consultants up to $20,000 and/or justify a sole source. In either case, the requisitioning department will prepare a memo of recommendation/sole source addressed to the VP Finance and Administration with a signature line to indicate that he/she concurs with the recommendation/sole source. The institution Purchasing Office will forward via e-mail the memo of recommendation/sole source, copy of requisition and any backup documentation along with a cover memo to the Associate Commissioner for Finance and Management for review and approval.

4. **A&E/Consultants Services in excess of $20K** pursuant to 37-2-7(16) & 37-2-18.2 the same procedure for under $20K will be followed.

5. **Other Issues**

   A. Purchases from an MPA do not require prior notification and/or approval.

   B. Research Subcontracts processed by the Research Office do not require notification and/or approval.

   C. **Multi-year contracts** – notification and/or approval is based on the total contract value (not the fiscal year or year)

   D. Purchases for items exempt from purchasing; i.e. electric, lease (Independence Square, FMA, etc. do not require notification/approval)

   E. RIHEBC funds will continue to be processed through the State Division of Purchases.

   F. Purchases to internal vendors do not require notification/approval.

   G. Purchases to RI Correctional Industries require notification/approval on all sources of funds including state appropriated.

   H. Vehicle purchases will continue to be processed through the State Division of Purchases on all sources of funds.

   I. Purchases funded by different sources; i.e., a construction project - $25K state appropriated funds, balance of funds on restricted, sponsored or auxiliary funds will be bid by the institution since the state appropriated portion is within the delegated authority. Under no circumstances can the state appropriated portion exceed $25K.

   J. The URI Purchasing Department has an on-line vendor registration system. Vendor’s register for particular commodities/services that they are interested in bidding on. When the University receives a college requisition that requires a Public Bid by the institution, a query is generated in PeopleSoft of the vendors that have registered for that commodity/services and the bid is e-mailed. If the OHE would like the other institutions to utilize this system, the University Purchasing Dept along with UCS will implement a system wide vendor registration system.

   K. Research Purchases – The attached procedures need to be incorporated into the BOG Procurement regulations.

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