

THE
UNIVERSITY
OF RHODE ISLAND

**University of Rhode Island
Board of Trustees
Procurement Regulations**

September 23, 2022

PURSUANT TO RIGL § 16-32-2(e)

Table of Contents

PART 1	GENERAL PROVISIONS.....	5
1.1	PURPOSES AND POLICIES.....	5
1.2	AUTHORITY.....	5
1.3	DOCUMENTATION AND REPORTS.....	5
1.4	BREACH OF CONTRACT DISPUTES.....	6
1.5	RESOLUTION OF PROTESTS.....	7
1.6	ADMINISTRATIVE RESPONSIBILITY FOR CONTRACTS AND OTHER EXPENDITURES THAT ARE NOT PROCUREMENTS.....	9
1.7	INTERNET NEUTRALITY PRINCIPLES.....	9
PART 2	AUTHORITY AND RESPONSIBILITIES	9
2.1	AUTHORITY.....	9
2.2	RESPONSIBILITIES.....	9
2.3	VIOLATIONS OF PURCHASING LAWS AND REGULATIONS	10
PART 3	CODE OF ETHICS AND PROFESSIONAL BEHAVIOR.....	11
3.1	CODE OF ETHICS AND PROFESSIONAL BEHAVIOR	11
PART 4	VENDOR QUALIFICATION, PREQUALIFICATION, AND SOLICITATION REQUIREMENTS	13
4.1	RESPONSIBILITIES OF BIDDERS AND OFFERORS.....	13
4.2	BIDDERS LISTS.....	13
4.3	PREQUALIFICATION OF PUBLIC WORKS VENDORS.....	14
4.4	REVOCAION OF PREQUALIFICATION.....	17
4.5	VENDOR DISQUALIFICATION, REJECTION OR REMOVAL	17
PART 5	COMPETITIVE REVIEW AND SOURCE SELECTION	18
5.1	COMPETITION.....	18
5.2	CENTRALIZATION	18
5.3	STANDARDS AND SPECIFICATIONS	19
5.4	GENERAL PROVISIONS	20
5.5	RULES FOR SOLICITATION	20
5.6	BIDDER SECURITY.....	21
5.7	CANCELLATION OF INVITATION FOR BIDS AND REQUESTS FOR PROPOSALS.....	22
5.8	CORRECTION OR WITHDRAWAL OF BIDS	22
5.9	SOLICITATION CRITERIA	22

13.17 CONFIDENTIALITY	71
13.18 TAXES	73
13.19 INSURANCE/BONDS/OTHER SECURITY	74
13.20 TERMINATION, DEFAULT, CANCELLATION AND STOP WORK	74
13.21 INDEMNIFICATION	75
13.22 VENDOR OBLIGATIONS	76
13.23 FORCE MAJEURE	77
13.24 COMPLIANCE WITH LAW	77
13.25 SUBCONTRACTING, ASSIGNMENT, MERGER OR ACQUISITION, KEY PERSONNEL, THIRD-PARTY PAYMENT, AND PROMPT PAYMENT OF SUBCONTRACTORS	78
13.26 ADVERTISING	79
13.27 NON-EXCLUSIVE RIGHTS	79
13.28 ELECTION OF REMEDIES	79
13.29 SURVIVAL	79
13.30 CONTRACT TRANSITION	79
13.31 GOVERNING LAW, FORUM	79
13.32 EFFECTIVE DATE AND COMMENCEMENT OF WORK	80
13.33 AMENDMENTS TO GENERAL CONDITIONS	80
13.34 CONTRACT ADDENDA IN ADDITION TO THE GENERAL CONDITIONS OF PURCHASE	80
13.35 SEVERABILITY	80

GENERAL CONDITIONS OF PURCHASE - ADDENDUM A GENERAL INSURANCE REQUIREMENTS⁸¹

For purposes of this Addendum and Schedules A1-A5, the term “Vendor” does not include any branches, departments, agencies, offices, or commissions of the State that may contract with the University or the Board..... 81

Schedule A1 – General Requirements	83
Schedule A2 – Professional Services	87
Schedule A3 – Information Technology.....	1
Schedule A4 – Public Works.....	1
Schedule A5 –Road and Transportation Projects	0

APPENDIX 1 – PROCUREMENT THRESHOLDS..... 1

PART 1 GENERAL PROVISIONS

1.1 PURPOSES AND POLICIES

- A. The purpose of these regulations is to implement the applicable requirements of the State Purchases Act, RIGL Chapter 37-2 applicable to the University of Rhode Island, when acting as a “Public Agency” as defined in the Act and provide policies and procedures thereunder, while also seeking to simply, clarify, and continuously modernize the Procurement system to provide efficiency and economy in the purchase of Supplies, Services, and Construction; and maintain and safeguard quality, integrity, fairness, responsibility, accountability, and equity in accordance with the highest ethical standards. Capitalized terms used and not otherwise defined herein have the meaning assigned to them in Part 12 hereof. Where used herein the word “may” is intended to be permissive.
- B. Contract awards shall be made to the most Responsive and Responsible Proposer, taking into consideration the reliability of the Proposer, the qualities of the materials, equipment or Supplies to be furnished, their conformity to Specifications, the suitability to the purpose for which acquired, terms of delivery, price, and the best interests of the University.
- C. The University Chief Purchasing Officer shall determine courses of action when the rules outlined herein require interpretation or when Procurement disputes arise, or conflicts occur.
- D. University officers shall be responsible for compliance with the purchasing-related statutes enacted by the General Assembly and with all related policies, rules, regulations, procedures, and codes promulgated by the Board and the State Purchases Department where applicable.

1.2 AUTHORITY

- A. The Board shall have and may exercise all general powers set forth under § 16-32-2(e) necessary or convenient to affect its purposes in complying with the provisions of the State Purchases Act where applicable.
 - a. RIGL § 37-2-7(16) for restricted, sponsored and auxiliary funds.
 - b. RIGL § 37-2-18.2 for Research
 - c. RIGL § 16-32-2(e)1 for Small Purchases
- B. Nothing in these regulations shall prevent the University from complying with the terms and conditions of any grant, gift, bequest, or cooperative agreement.

1.3 DOCUMENTATION AND REPORTS

- A. Documentation.
 - 1. The University and its Purchasing Department shall maintain adequate written records in Contract Files to document Procurement activities, reason for selection of a Vendor and justification of price.
 - 2. The Contract File of each Procurement shall include adequate justification of Source Selection and pricing.
 - 3. The Purchasing Department shall require an audit trail for every purchase. Such documentation shall be recorded and maintained by the University for the purpose of:
 - a. background information to assure that informed decisions are made at each step of the Procurement process;
 - b. rationale for the action taken;
 - c. providing information for reviews and audits; and
 - d. to furnish facts in the event of litigation.

- B. Purchasing documentation shall be signed, initialed (as appropriate) or electronically approved by duly authorized officials. Such signature or initialing shall constitute certification by the official that the action documented meets the administrative requirements for which they are responsible.
 - 1. Authority to act with regard to Procurement on behalf of the University will be determined through the signatory authority approval process of the University.
 - 2. Purchase Orders shall be authorized by the University Chief Purchasing Officer or the University Purchasing Agent, or their delegees.
- C. Documentation records may be in the form of copies, electronic files or other means or media.
- D. Audit of Vendors' records for Procurements
 - 1. The Board may at any time until the third anniversary of final payment of any Contract cause to be audited the books and records of any Vendor whose Contract with the University included submission of cost or pricing Data in order to determine the final price and where the Contract value exceeds Competitive fifty thousand dollars (\$50,000) and for any Change Order exceeding twenty-five thousand dollars (\$25,000). The right to audit hereunder shall only extend to those books and records reasonably connected with cost or pricing Data submitted in accordance with RIGL § 37-2-28.
 - 2. Books and records shall be maintained by the Vendor for a period of three (3) years from the date of final payment under the prime Contract and by any Subcontractor for a period of three (3) years from the date of final payment under the subcontract.
- E. In the event the Procurement was made via sealed public bid, an Abstract of each Bid together with the name of the Bidder shall be recorded and made available for public inspection. Records exempted from public disclosure by APRA need not be publicly disclosed, except as otherwise authorized. The University Purchasing Agent shall ensure that information not subject to public disclosure or otherwise authorized is not divulged. No original documentation shall be removed from the premises of the Purchasing Department unless otherwise authorized by the University Chief Purchasing Officer.

1.4 BREACH OF CONTRACT DISPUTES

- A. A Contract Dispute occurs when a Vendor and the University are unable to arrive at a mutual interpretation of the requirements, limitations, or compensation for the performance of a Contract.
- B. The University Purchasing Agent is authorized to resolve Contract Disputes upon the University's indication of impasse. A request for resolution in writing from either party shall be submitted to the University Purchasing Agent, which request shall provide:
 - 1. a description of the dispute or problem, including all appropriate citations and references from the Contract in question,
 - 2. clear statement by the party requesting the decision in favor of their interpretation of the Contract, and
 - 3. a proposed course of action to resolve the dispute.
- C. The other contracting party shall respond to the request within five (5) business days.
- D. Within fourteen (14) calendar days, the University Purchasing Agent shall, in writing:
 - 1. Determine whether the interpretation provided is appropriate;
 - 2. Determine whether the proposed solution is feasible; or
 - 3. Propose another solution.

- E. The University Purchasing Agent may assess dollar damages against Vendors determined to be non-performing or otherwise in default of their contractual obligations equal to the cost of remedy incurred by the University and make payment of such damages a condition for consideration of any subsequent award. Failure by the Vendor to pay such damages shall constitute just cause for disqualification and rejection, suspension, or Debarment under Sections 4.5 or 11.1 of these regulations.
- F. If the Vendor is not satisfied with the University Purchasing Agent's determination of the resolution of a Contract Dispute or assessment of damages the Vendor may follow the dispute resolution procedures set forth in the relevant Contract. As required by RIGL § 37-2-48, any Procurement disputes relating to Public Works Contracts shall comply with any and all applicable arbitration related requirements set forth in The Rhode Island Public Works Arbitration Act, codified at RIGL Chapter 37-16.

1.5 RESOLUTION OF PROTESTS

- A. **Presumption of Correct Decision.** The decision of any official, agent, or other person appointed by the University Chief Purchasing Officer to resolve any controversy arising under, or in connection with, the Solicitation or award of a Contract, or under, or in connection with, the performance of obligations of either party under an awarded Contract, shall be entitled to a presumption of correctness and shall not be disturbed unless the decision was procured by fraud; in violation of constitutional or statutory provisions; in excess of the statutory authority of the University; made upon unlawful procedure; affected by other error or law; clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record; or arbitrary or capricious or characterized by the abuse of discretion or clearly unwarranted exercise of discretion.
- B. **Authority to resolve Protests regarding the award of a Contract:**
 - 1. The University shall have authority to resolve Protests and other controversies of actual or prospective Proposers in connection with the Solicitation or selection for award of a Contract.
 - 2. Any actual or prospective Bidder, Offeror, or Vendor who is aggrieved in connection with the Solicitation or selection for award of a Contract may file a Protest with the University Chief Purchasing Officer.
 - 3. The protester's notice to the University Chief Purchasing Officer shall clearly state that it is a Protest, and at a minimum shall include the following information:
 - a. the name, street address, e-mail address, telephone and facsimile numbers of the protester (or its representative, if any);
 - b. original signature of the protestor or its representative;
 - c. identity of the Contract, Solicitation or award at issue;
 - d. a detailed statement of facts and circumstances that gave rise to the Protest, together with copies of any available relevant documents;
 - e. all information establishing that the protestor is an aggrieved party for the purpose of filing a Protest;
 - f. citations to any relevant statutes or regulations; and,
 - g. a brief statement as to the form of relief requested; and,
 - h. a statement of whether the protestor has submitted a request for the disclosure of public records that are pertinent to the Protest, and if such a request has been submitted, a copy thereof. A Protest that fails to contain the required information may be denied.

C. Timeliness of a Protest.

1. A Protest must be filed in accordance with this Section 1.5 "Resolution of Protests" and within the following time limits:
 - a. +Protests regarding the form or content of Solicitation documents must be received by the University Chief Purchasing Officer not later than fourteen (14) calendar days before the date set in the Solicitation for receipt of bids. If grounds for a Protest did not exist at the initial Solicitation but arose as the result of an amendment to the Solicitation, then the Protest must be received by the University Chief Purchasing Officer no later than fourteen (14) calendar days before the next closing time established for receipt of bids. If the date set in the Solicitation for receipt of bids is less than fourteen (14) calendar days from issuance, a Protest concerning the form or content of the Solicitation documents must be received by the University Chief Purchasing Officer not less than forty-eight (48) hours before the date set for receipt of bids.
 - b. In all other cases, Protests must be received by the University Chief Purchasing Officer not later than fourteen (14) calendar days after the protester knew or should have known, whichever is earlier, the facts giving rise to a Protest.
 - c. For Protests regarding the form or content of the Solicitation documents, the facts giving rise to the Protest shall be presumed to be known to the protester on the date the Solicitation, or an amendment thereto, was posted to the Purchasing Department's Procurement website. For Protests arising from Bid Opening procedures and or award of the Contract, the facts giving rise to the Protest shall be presumed to be known to the protester on either the date of Bid Opening or the date the Contract award was posted to the Purchasing Department's Procurement website.
 - d. New factual allegations made after the initial Protest without a new and separate showing of timeliness shall be deemed to be untimely.
 - e. The fourteen (14) day period in which to file a Protest does not include the day on which the alleged basis for Protest arises. If the last calendar day within which a Protest is to be filed falls on a Saturday, Sunday, state holiday or a day when the University or Purchasing Department is closed, the period in which to file a Protest is extended to the next day not a Saturday, Sunday, state holiday or when the University is not closed.
2. Protests of different Contract Solicitations or awards must be filed separately.
3. Upon receipt of a Protest timely filed neither the contracting department, nor the Purchasing Department shall proceed further with the Solicitation or award of a Contract, until the University Chief Purchasing Officer issues a written determination that authorizes the contracting department or the Purchasing Department to proceed with the Solicitation or award as being necessary to protect a substantial interest of the University.
4. The University Chief Purchasing Officer shall issue a written determination in response to a Protest within thirty (30) calendar days of the receipt thereof. The University Chief Purchasing Officer reserves the right to waive or extend the time requirements for such written determination when, in their sole judgment, circumstances so warrant.

5. The University Chief Purchasing Officer's written determination shall state whether the Protest is granted or denied, the reasons therefor and any action(s) to be taken in response thereto. A copy of the University Chief Purchasing Officer's written determination shall be mailed to the protestor.
6. In the event that the protestor requests access to documents relating to the Solicitation or award pursuant to APRA in conjunction with the Protest, then the University Chief Purchasing Officer may defer issuing their written determination until thirty (30) days after the response(s) to the APRA request has been issued.

1.6 ADMINISTRATIVE RESPONSIBILITY FOR CONTRACTS AND OTHER EXPENDITURES THAT ARE NOT PROCUREMENTS

- A. Contracts for Concessions are not Procurements for the purposes of these regulations.
- B. Contracts that are not Procurement Contracts shall be, to the extent practicable, subject to the same open, competitive procedures which apply to Procurements
- C. The University Chief Purchasing Officer may delegate authority to enter into non-Procurement Contracts.

1.7 INTERNET NEUTRALITY PRINCIPLES

University Contracts for fixed or mobile broadband internet access Services shall be awarded only to Services providers that adhere to the internet neutrality principles set forth in the Executive Order 18-02 by the Governor of Rhode Island.

PART 2 AUTHORITY AND RESPONSIBILITIES

2.1 AUTHORITY

The Board, in accordance with RIGL Chapter 37-2, has Public Agency Procurement authority for purchases which are funded by Restricted, Sponsored, or Auxiliary Funds, as provided for in RIGL § 37-2-7(16) and § 37-2-18.2 and for Small Purchases as provided for in RIGL §16-32-2(e)1

2.2 RESPONSIBILITIES

- A. The University Chief Purchasing Officer, on behalf of the Board, shall be responsible for:
 1. Administering Procurement regulations established by the Board in accordance with RIGL § 16-32-2(e), § 37-2-7(16) and § 37-2-18.2
 2. Evaluating and auditing the University's purchasing activity to ensure that the University is attaining the most advantageous Procurements possible and to ensure compliance with applicable rules and regulations;
 3. Determining courses of action when the policies and procedures outlined herein require interpretation and/or when situations arise where conflicts exist or occur.
 4. Promoting standardization of requirements and processes, including standardization of specifications, to increase opportunities for the economic advantages.
 5. Implementation of administrative control systems with respect to all Procurement actions, including, but not limited to, Standards of quality, verification of Contract deliverables and Vendor responsibilities, maintenance of records, and all other activities relating to Contract administration.
- B. The University Purchasing Agent shall be responsible for:
 1. assuring adherence to applicable Procurement laws, regulations, rules, codes and procedures;

2. ensuring that the use of delegated State purchasing authority available to the University is exercised properly;
 3. supervising Procurement activity within the Purchasing Department;
 4. assuring that Delegated Purchasing Authority within URI is exercised properly;
 5. establishing and maintaining good relations with Vendors and potential Vendors without conflicts of interest;
 6. assuring that a pool of responsible, qualified Vendors is developed, maintained and utilized;
 7. assuring that Procurements are made in a context which supports to the greatest extent possible competitive purchases, opportunities for minority and women owned/operated businesses, and opportunities for Rhode Island enterprises; and
 8. assuring compliance with appropriate applicable competitive bidding procedures throughout the Procurement process.
- C. Relationship with the State Division of Purchases.
1. The University shall maintain a close and cooperative relationship with the State Division of Purchases.

2.3 VIOLATIONS OF PURCHASING LAWS AND REGULATIONS

- A. Deliberate disregard for regulations, policies and procedures shall be subject to disciplinary action, including dismissal of Employees and Debarment or suspension of Vendors doing business with the University.
- B. Violations of the Supplemental Code of Procurement Ethics set forth in Section 3.1 of these regulations shall be subject to appropriate sanctions including censure, dismissal, Suspension, and Debarment.
- C. The University Chief Purchasing Officer shall have the power of Suspension or Debarment of Vendors, Subcontractors, or Bidders in accordance with the requirements set forth in Section 4.5 and 11.1 of these regulations.
- D. Suspected violations of state conflict of interest laws and applicable regulations regarding Procurement or the Supplemental Code of Procurement Ethics shall be reported in confidence, by any knowledgeable party, including University Employees and Vendors, to the University Chief Purchasing Officer and in accordance with the rules and regulations established by the State Ethics Commission.
- E. Violations of applicable purchasing laws, regulations, policies, and procedures shall be reported, by any knowledgeable party, including the Board, University Employees and Vendors, to the University Purchasing Agent and the University Chief Purchasing Officer who shall have authority to apply sanctions as provided in Sections 4.4, 4.5 and 11.1 of these regulations.
- F. Suspected violations of State conflict of interest laws regarding Procurement shall be reported, by any knowledgeable party, including members of the Board and University Employees and Vendors, to the University Chief Purchasing Officer. Violations of the Act or State conflict of interest laws shall be reported to the Board and to the State Attorney General.
- G. When for any reason collusion is suspected among any Proposers, a written notice of the facts giving rise to such suspicion shall be transmitted to the Board and the State Attorney General.
- H. Suspected falsification of certifications shall be referred to the State Attorney General for investigation and prosecution.

PART 3 CODE OF ETHICS AND PROFESSIONAL BEHAVIOR

3.1 CODE OF ETHICS AND PROFESSIONAL BEHAVIOR

- A. All University Employees are subject to, and shall comply with, the provisions of RIGL Chapter 36-14 and all regulations promulgated by the Rhode Island Ethics Commission, which are known and referred to as the Rhode Island Code of Ethics, as well as the University's "Ethics and Conflict of Interest Policy", and the additional provisions of this section.
- B. The following "Supplemental Code of Procurement Ethics" shall also apply to all Procurement by the University under these Regulations:
 1. The following supplemental ethical standards shall be applicable to all University Employees involved in the Procurement process:
 - a. To consider, first, the interests of the University in all transactions
 - b. To support and carry out Board, University and State policies;
 - c. To buy without prejudice;
 - d. To avoid any conflict of interest with respect to Procurement, or the appearance thereof;
 - e. To obtain the maximum ultimate value for each dollar of expenditure;
 - f. To subscribe to and work for honesty and truth in buying and selling, and to denounce all forms and manifestations of commercial bribery; and
 - g. To respect obligations and to require that obligations to the University and the State be respected, consistent with good business practice.
 2. Relations With Vendors. A primary responsibility of Purchasing Department personnel shall be to maintain good relations with Vendors and potential Vendors. Relationships shall be maintained in a manner which assures that no conflict-of-interest situations arise.
 - a. All potential Vendors shall be afforded the courtesy of a fair opportunity to present their capabilities and products.
 - b. Reasonable effort shall be made to provide fair bidding opportunities to all qualified and interested Vendors.
 - c. University Employees shall observe a commitment to maintain the confidentiality of information submitted by Vendors and potential Vendors.
 - i. Vendor proposals shall be treated in confidence with regard to technical approach and terms and conditions.
 - ii. Distribution of information contained in Vendor proposals shall be limited to those having a "need to know" as determined by the University Purchasing Agent.
 - iii. Under no circumstances shall Confidential Information be made available to other Vendors.
 - d. Personnel are prohibited from engaging in any conduct which may tend to cause any existing or prospective Vendor of Supplies or Services to believe that their relationship with the University will be affected by their purchasing or failing to purchase Supplies or Services from any representative of the University.
 - e. Under no circumstances may a potential or established University Vendor provide to a purchasing official or agent, nor may a purchasing official or agent of the University accept from a potential or established University

determinations which define whether or not conflict, in fact, existed, and to take action to resolve such conflict.

- a. Resolution of conflict may include, but shall not be limited to, the following measures: reassignment of the Procurement official or other University Employee involved; termination of employment of the Procurement official or other University Employee involved; and Debarment of any and all Vendors who may be involved.
5. Membership and active participation in the meetings and activities of local purchasing organizations are encouraged.
6. Samples provided by Vendors shall be deemed to be the property of the University which the University Chief Purchasing Officer may determine appropriate for donation to charitable organizations or needy individuals.
7. Purchasing personnel shall not make purchases for personal use in the name of the University or through the use of any Procurement forms.

PART 4 VENDOR QUALIFICATION, PREQUALIFICATION, AND SOLICITATION REQUIREMENTS

4.1 RESPONSIBILITIES OF BIDDERS AND OFFERORS

- A. A reasonable inquiry to determine the responsibility of a Bidder or Offeror may be conducted. A written determination of responsibility of a Bidder or Offeror may be made. The failure of a Bidder or Offeror to supply information Promptly in connection with an inquiry related to responsibility may be grounds for a determination of non-responsibility
 1. "Prompt" means five (5) working days unless otherwise specified by the University Purchasing Agent.
 2. Information furnished by a Bidder or Offeror that is identified as proprietary or confidential, pursuant to this Section may not be disclosed outside of the Purchasing Department without prior written consent of the Bidder or Offeror.
 3. The University Purchasing Agent may utilize factors such as financial capability, reputation, management, etc. to evaluate the responsibility and qualifications of potential Vendors in order to develop a list of prospective Bidders qualified to be sent Invitation for particular Bids.
 4. Ability to meet Performance Bond requirements set forth for Public Works Contracts not exceeding one hundred fifty thousand dollars (\$150,000) as set forth in RIGL Chapter 37-12, shall be a valid criterion for determination of responsibility, provided however that the University, upon approval of the University Chief Purchasing Officer, may waive such requirement for good cause.
 5. The University Purchasing Agent may instruct interested Vendors not currently on any established Bidders List to submit completed Bidder registration forms to the University and the State Division of Purchases for consideration by the respective purchasing agents.
 6. As a prerequisite condition for Contract award, the University may require any Bidder to complete a Bidder registration form and/or submit current certifications of financial responsibility, affirmative action compliance, drug-free and barrier free environment, and status as MBE, WBE or VBE.

4.2 BIDDERS LISTS

- A. The University shall maintain a Bidders List consisting of the names and addresses of Vendors of various Supplies and Services from which bids, proposals, and quotations can be solicited.
- B. Bidders Lists are formatted in a manner which identifies those Vendors certified as MBE, WBE or VBE.
- C. The University may use prequalified Vendors by the State under the Act and the Department of Administration, Division of Purchases Procurement Regulations, Part 4.
- D. The University may elect to prequalify Vendors for individual projects that are deemed to be complex or critical in nature. The criteria for prequalification will be described as part of the Solicitation.
- E. The University may develop and maintain its own Bidder Lists in addition to the Bidders Lists maintained by the State purchasing agent.

4.3 PREQUALIFICATION OF PUBLIC WORKS VENDORS

- A. Vendors may be pre-qualified by the University prior to bidding on Public Works Projects with an estimated value of over one million dollars (\$1,000,000) or as deemed necessary by the University Purchasing Agent for a particular project.
 - 1. If the University Purchasing Agent determines that Competition will be limited due to the unique nature of a project, the University Purchasing Agent may:
 - a. Waive the prequalification requirement for a Public Works Project valued over one million dollars (\$1,000,000);
 - b. Require prequalification for projects less than one million dollars (\$1,000,000) when so specified in the Solicitation;
 - c. Specify in the Solicitation that Vendors who are not prequalified may bid on a Public Works Project, but the Vendor must be prequalified prior to the issuance of the award.
- B. The University Purchasing Agent may restrict the prequalification of a Vendor to a certain category of work based on information provided pursuant to § 4.3(D)(3) of these regulations or limit the size of Purchase Order based on information provided pursuant to § 4.3(D)(4) of these regulations, or both.
 - 1. Categories of Work. The University Purchasing Agent may limit a Vendor's prequalification to one of the following categories of work:
 - a. Horizontal Construction
 - b. Road or parking lot Construction and rehabilitation. Prequalification for Vendors submitting bids on road work for the University shall be prequalified pursuant to RIGL § 37-2- 26.
 - c. Vertical Construction (Design-Bid-Build): Vendor acting as Prime Contractor for the Construction of buildings (including new Construction and/or renovations).
 - c. Exterior building envelope projects including roofing, window installation/repair, exterior wall work, masonry, or any combination thereof.
 - d. HVAC/Plumbing: Projects where the work primarily encompasses the disciplines of plumbing, fire protection, heating, ventilating and air conditioning (HVAC), and building control systems.
 - e. Electrical: Projects which have a primary focus on electrical and low voltage systems including but not limited to electrical distribution, emergency power generation, lighting, low voltage distribution, and devices.
 - f. Site Work & Utility Work: Clearing, grubbing, removal of tree stumps, shrubs, site preparation, mass earth excavation, silt fence,

4. Financial Capacity:
 - a. Reviewed Financial Statement prepared by a licensed Certified Public Accountant. Vendors who are seeking prequalification for Purchase Orders over \$20,000,000 must provide Audited Financial Statements.
 - b. Revenue: A Vendor must provide its revenue under Contract for the next three (3) Fiscal Years.
 - c. Prompt payment of Subcontractors: All Vendors must provide Subcontractor lien releases for all projects performed within the past five (5) years.
- E. The University Purchasing Agent may conduct supplementary prequalification examinations of Vendors prior to Solicitation or award which include, but are not limited to:
 1. Requirement for additional certification(s);
 2. Requirement for demonstration of additional licensure;
 3. Requirement for recent financial information;
 4. Submission of an affirmative action employment plan; and/or
 5. Submission of the names of proposed MBE or WBE Subcontractors and the value of such subcontracts.
- F. Denial of Prequalification
 - a. The University Purchasing Agent, in their discretion, may deny prequalification to a Vendor for failure to meet the criteria above.
 - b. The University Purchasing Agent shall send notice of denial of prequalification to an applicant Vendor identifying the basis for the denial.
 - c. The University Purchasing Agent's decision on prequalification may be appealed pursuant to § 1.6 of these Regulations and RIGL § 37-2-52.

4.4 REVOCATION OF PREQUALIFICATION

- A. The University Purchasing Agent may revoke a Vendor's prequalification. Revocation may result from:
 1. Suspension or Debarment pursuant to Part 11 of these regulations;
 2. Lack of demonstrated responsibility or competency;
 3. Failure to update information contained in a Vendor's pre-qualification packet on file with the University Purchasing Department pursuant to 4.3(C) of this Part;
 4. When, in the judgment of the University Purchasing Agent, the Vendor does not possess the capacity, capability, or integrity requisite for the Procurement.
- B. The University Purchasing Agent shall give notice to a Vendor when its prequalification has been revoked in writing. Such notice shall:
 - C. State that the Vendor's prequalification has been revoked,
 - D. Provide the Vendor with the rationale for the decision, and
 - E. A statement that Protests of the revocation may be submitted pursuant to § 4.3 of this Part.
- F. The University Purchasing Agent's decision on prequalification may be protested pursuant to Section 1.5 of these regulations and RIGL § 37-2-52.

4.5 VENDOR DISQUALIFICATION, REJECTION OR REMOVAL

- A. The University Chief Purchasing Officer may disqualify a Vendor or Subcontractor from participating in University Procurements. Disqualification may result from failure to meet the requirements of a specific Procurement or Debarment, Suspension, Removal or Rejection.

- B. A Vendor's offer or Bid for a specific Procurement may be rejected if, in the judgment of the University Purchasing Agent, the Vendor does not possess the capacity, capability, or integrity requisite for the Procurement. Such judgment shall be adequately documented.

PART 5 COMPETITIVE REVIEW AND SOURCE SELECTION

5.1 COMPETITION

- A. A competitive environment shall be considered to exist when the following conditions are met:
 - 1. Two or more items or offers can be compared to determine relative merit;
 - 2. Objective standards of comparison are fairly and impartially applied;
 - 3. Offers are evaluated within a market context:
 - a. The lowest price offered may not be considered to be a competitive price when not supported by an evaluation of the market or market conditions within which the offer was rendered;
 - b. Market evaluation must be conducted using objective standards to assure fairness and to encourage participation;
 - 4. An equal opportunity for participation in any Procurement applies to all prospective Offerors, and affirmative action to achieve participation in the Procurement process as a means of achieving social objectives is accomplished without violation of these general principles.

5.2 CENTRALIZATION

- A. Except as otherwise provided for herein, the University Purchasing Agent shall be responsible for the administration of all Procurement activities and determinations with respect to the Solicitation and evaluation of competitive offers, and to Source Selection.
- B. Delegated Purchases.
 - 1. The following Supplies and Services may be procured by University department officials without the express approval of the University Purchasing Agent in accordance with the provisions set forth herein:
 - a. Items purchased through and in accordance with the terms of; Master Pricing Agreements (MPA), Agency Price Agreements (APA), and University Price Agreements (UPA). All departments shall be authorized to order Price Agreement items directly from Vendors in accordance with procedures established by the University Purchasing Agent and as allowable through the University's financial system.
 - b. Items exempted from Competition by law, regulation or determination by the University Chief Purchasing Officer or their delegee.
 - c. Grants in the form of general Subsidies or assistance shall be administered by the University in accordance with legal mandates restricting or defining the use of such funds
 - d. Special delegations based on documented need and approved by the University Chief Purchasing Officer; (e.g., high volume food items for Dining Services such as Meat, Fish, Poultry and Cheese).
 - 2. Approval of subawards under Grants for sponsored research is delegated to the URI Office of Sponsored Projects.

- C. University department officials designated by the University Purchasing Agent shall be authorized to obtain quotes for Procurements reasonably not expected to be subject to the requirement for a public competitive Bid.
 - 1. Violation of these regulations may result in withdrawal of such authority by the University Purchasing Agent.
 - 2. Documentation of all quotes and Contract awards made under this section shall be stored in the University financial system or other location designated from time to time by the University Purchasing Agent.
- D. Violations of Purchase Authority
 - 1. The University Controller through its Accounts Payable Department shall periodically review all documents under which departments undertake purchasing actions and shall report suspected violations of Delegated Purchasing Authority to the University Purchasing Agent.
 - 2. Transactions which are determined by the University Purchasing Agent to be out of compliance with purchasing regulations and procedures shall be returned to departments for explanation and justification.
 - 3. Department abuses of University purchasing policies shall be reported to the University Purchasing Agent who will address them with department directors, who are responsible for violations in accordance with procedures to be established by the Chief Purchasing Officer.
 - 4. Deliberate disregard of purchasing regulations, policies and procedures shall be subject to disciplinary action, including dismissal.
- E. Additional delegated authority may be granted by the University Purchasing Agent upon reviewing written requests submitted by department officials.

5.3 STANDARDS AND SPECIFICATIONS

- A. Road, bridge and heavy Construction projects shall be in accordance with "Bluebook" Specifications issued by RIDOT where applicable.
- B. Certification by building commissioner. In accordance with RIGL § 37-2-38.1 the University shall order no payment to any Person on account of any Contract for any Construction which is subject to the state building code, unless and until the state building commissioner has certified in writing that: (i) All permits required under RIGL § 23-27-3 - 113.1 for the Construction for which such payment has been requested have been issued and are valid; and (ii) The state building commissioner has, pursuant to RIGL § 23-27-3 - 113.3.1, verified that all Construction work for which payment has been requested and which state law requires to be performed by licensed Persons has been performed by Persons so licensed.
- C. Solicitations shall be prepared in a manner and form which enables Vendors to submit fully responsive and knowledgeable offers, and which clearly define the Proposal Evaluation Criteria to be used in evaluating responses.
- D. All material submitted by University departments for action shall be in sufficient detail and shall contain adequate supportive information to:
 - 1. adequately describe the purpose, use, or desired performance level of the requirement; and
 - 2. identify measurable Proposal Evaluation Criteria of offers including, but not limited to, acceptance testing.

- E. Wherever possible, Solicitations shall incorporate a standardized specification, describing the level of performance required, and Proposal Evaluation Criteria which define acceptance.
 - 1. In certain cases, following detailed evaluation, brand name or other designations may be defined as standard items, where it is determined to be in the best interest of the University with regard to economies of scale, or cost or value analysis.
- F. Selection and Proposal Evaluation Criteria shall be clearly defined in all Solicitations.
 - 1. The Solicitation shall state whether award shall be made on the basis of the lowest price or the lowest evaluated or responsive bid price. If the latter basis is used, the Proposal Evaluation Criteria to be utilized shall be set forth in the Invitation for Bids.
 - 2. Unless alternate offers are clearly requested or allowed, only those offers which are responsive, in all material respects, to the terms of the Solicitation shall be considered.
 - 3. Alternate specifications may be considered only where it has been determined that the alternate satisfies all objective performance characteristics of the Procurement, and represents a reduction in expenditure;
 - 4. Alternate terms and conditions may be considered only when the University Chief Purchasing Officer determines it to be in the best interest of the University to do so.
- G. Used items may be purchased to achieve financial benefit if the manufacturer will provide warranties for maintenance requirements and for the replacement of parts. Such certification/warranties should be for the most part as comprehensive as those provided by the manufacturer for new equipment. When certification/warranties do not meet these requirements, the approval of the requisitioning department and the University Purchasing Agent is required prior to Procurement.
- H. The University shall, through its policy and practice, affirmatively promote the use of Recycled Products in compliance with the requirements of RIGL § 37-2-76.

5.4 GENERAL PROVISIONS

- A. Except as otherwise authorized by law, federal regulation, or as specifically exempted herein or in the Act, University Contracts shall be awarded as the result of:
 - 1. Competitive/Sealed Bidding; or
 - 2. Competitive Negotiation; or
 - 3. Noncompetitive Negotiation; or
 - 4. Small Purchases as set forth in Section 5.9; or
 - 5. Requests for Proposal; or
 - 6. Reverse Auction
- B. If a combination of funds including unrestricted, Restricted, Auxiliary and/or Sponsored funds are to be used for any Procurement transaction, those fund sources must be determined in advance of the purchase and no transfer of funds can occur retroactively which might alter the determination of the Procurement methodology employed. When a combination of fund sources is used, the most restrictive applicable statutes and regulations apply.
- C. Purchases made with federal funds must also conform to Code of Federal Regulations Uniform Guidance (2 CFR §200).

5.5 RULES FOR SOLICITATION

- A. In general, Solicitations will be sent to those Vendors who have formally expressed a desire to bid on the particular types of items which are the subject of the bid Solicitation; however, the University purchasing officers may determine that Competition would be

enhanced by inviting Bidders who are not on the established Bidders List to respond to a Solicitation.

- B. MBEs and WBE's should be solicited where practicable.
 - 1. A concerted effort should be made to solicit from at least one responsible Vendor certified by the Rhode Island Minority Business Enterprise Program as an MBE and WBE, where Vendors have been identified for the product or Services in question.
- C. For all formal public bid Solicitations, the University shall place appropriate requests for responses on an established Purchasing web site.

5.6 BIDDER SECURITY

- A. Bidder's security shall be a bond provided by a surety company authorized to do business in the State of Rhode Island, or the equivalent in a form satisfactory to the University.
 - 1. The Bidder may submit a certified check, bank check (cashier's check or treasurer's check), or money order as surety instead of a bond.
 - 2. All such sureties must be dated within 30 days of the Bid Opening date and shall be valid for no less than 60 days from the Bid Opening dates.
 - 3. All such sureties shall be made payable to the University of Rhode Island.
 - 4. All sureties should contain an identification of the bid number for which the surety is intended.
- B. Bidder security shall be required for all competitive Sealed Bidding for Construction Contracts when the estimated price exceeds fifty thousand dollars (\$50,000). Nothing herein prevents the requirement of such bonds on Construction Contracts under fifty thousand dollars (\$50,000) when circumstances warrant.
 - 1. The University Purchasing Agent may require Bid Security for any Procurement that they judge to be substantial, or where in their opinion the potential of capricious or artificial bidding exists, or where there is a risk of withdrawal of offers prior to an award being made, or where the interests of the University otherwise require protection.
 - 2. Bidder's security shall be in an amount equal to at least five percent (5%) of the amount bid.
- C. When the Solicitation requires that Bid Security be provided, noncompliance requires that the bid be rejected, provided, however, that the University Purchasing Agent may set forth exceptions to this requirement in the event of substantial compliance.
- D. After the bids are opened, they shall be irrevocable for the period specified in the Solicitation, provided that if a Bidder is permitted to withdraw their bid before award because of a ministerial error in the bid as allowed by law or regulation, no action shall be taken against the Bidder or the Bid Surety.
- E. After the Bid Opening the University Purchasing Agent shall authorize the return of the sureties of all but the three (3) apparent most Competitive Bidders. When the Evaluation of Bid has been completed, the University Purchasing Agent shall return all but the selected Bidder's Bid Surety.
- F. After the selected Bidder has been notified of the University's intent to proceed with a Contract, the selected Bidder's Bid Surety shall be returned. When performance, labor and/or material bonds are required, the Bid Surety shall be returned upon receipt of the appropriate bond(s).

5.7 CANCELLATION OF INVITATION FOR BIDS AND REQUESTS FOR PROPOSALS

- A. A Solicitation may be canceled, or all bids or proposals may be rejected, if it is determined that the action is taken in the best interest of the University.
 - 1. If a Solicitation results in none of the proposals being reasonably close to expectations, the University may declare all bids unacceptable and resolicit the Procurement.
 - 2. If a Solicitation results in only one proposal, the price of which is not reasonably close to expectations, the University may declare the bid unacceptable and either resolicit the Procurement or negotiate with the Vendor.
 - 3. The University may exclude from any re-solicitation Bidders whose offers are clearly noncompetitive prior to re-solicitation.
 - 4. The University's determination that the bid did not produce the most economical or effective outcome and requires new specifications be solicited.

5.8 CORRECTION OR WITHDRAWAL OF BIDS

- A. Correction or withdrawal of Bids may be allowed only to the extent permitted by these regulations.
- B. The University Purchasing Agent or their Designee shall be the sole determiner of whether correction or withdrawal of Bids may be made without penalty.
- C. Correction of a Bid.
 - 1. Correction of a Bid at any time prior to Bid Opening may be permitted without penalty when a Bidder requests that their Bid be returned or replaced with an updated submission which is clearly identified as such, and they resubmit a corrected Bid prior to the Bid Opening.
 - 2. A Bidder who fails to resubmit a corrected Bid before the Bid Opening will be considered nonresponsive, except as stated in 3 below.
 - 3. Requests by the apparent low Bidder for correction of Bids identifying technical error(s), ministerial error(s), or material error(s) of fact and specifying corrective action shall be submitted in writing to the University Purchasing Agent and shall be re-evaluated with all other offers within five (5) working days after the Bid Opening.
- D. Withdrawal of Bids.
 - 1. Requests for withdrawal of Bids shall be submitted in writing to the University Purchasing Agent, providing an explanation for the action.
- E. Withdrawal of Bids without the written consent of the University Purchasing Agent may result in forfeiture of Bid sureties, depending upon the severity of the violation.
- F. The University Purchasing Agent shall respond to requests for correction or withdrawal within ten (10) working days, notifying the Bidder of the status of their Bid and Bid Surety.

5.9 SOLICITATION CRITERIA

- A. Small Purchases. Public competitive Bids are not required for Procurements up to the threshold set forth in Appendix 1. Procurements shall not be artificially divided so as to constitute a Small Purchase under these regulations.
 - 1. Written quotes shall be solicited as identified in Appendix 1, including small Construction, except under specifically prescribed circumstances set forth herein or when deemed not practicable by the University Purchasing Agent.

GENERAL CONDITIONS OF PURCHASE - ADDENDUM A GENERAL INSURANCE REQUIREMENTS

Defined terms used in this Addendum to the General Conditions of Purchase have the same meaning as set forth in Part 12 of the University of Rhode Island Board of Trustees Procurement Regulations unless separately defined herein.

Unless otherwise specified in the solicitation or procurement, the following insurance requirements shall apply. These insurance requirements establish minimum types and limits of insurance coverage for many contract situations entered into by the University. It is possible that certain contract exposures are not addressed. Risk management and insurance questions regarding any Contract to be entered into by the University, including any that may be deemed "high-risk procurement" (i.e., either by amount of the procurement or solicitation and/or Vendor scope of Supplies or Services to be provided) should be reviewed with the University's Enterprise Risk Management Department.

Schedule A1: General Requirements

Schedule A2: Professional Services

Schedule A3: Information Technology

Schedule A4: Public Works

Schedule A5: Road and Transportation Projects

For purposes of this Addendum and Schedules A1-A5, the term "Vendor" does not include any branches, departments, agencies, offices, or commissions of the State that may contract with the University or the Board.

Required Insurance

Vendor shall procure required insurance as set forth herein:

- a. At the sole cost and expense of Vendor.
- b. Obtain and maintain such required insurance in full force and effect during the entire term of the Contract until all obligations of Vendor have been discharged, including any warranty periods or extended reporting periods, against claims that may arise out of, are alleged to arise out of, directly or indirectly, in whole or in part, from or in connection with the Contract and/or result from the performance of the Contract.
- c. Any deductible, self-insured retention, or form of self-insurance under the policies shall be the sole responsibility of the Vendor and shall be disclosed to and acceptable to the University authorized personnel.
- d. Any required liability insurance policy that is to ensure any form of products liability

Schedule A3 – Information Technology

Definitions

Defined terms used in this Addendum to the General Conditions of Purchase have the same meaning as set forth in Part 12 of the University of Rhode Island Board of Trustees Procurement Regulations unless separately defined herein.

“Information Technology Insurance” means insurance designed to cover providers of technology services or products. For example, data storage companies and website designers provide technology services, while computer software and computer manufacturers offer technology products.⁴

“Technology E&O Insurance” mean insurance policies which cover both liability and property loss exposures due to errors and omissions by providers of technology products and services. Major liability insuring agreements include losses resulting from: (1) technology services, (2) technology products, (3) media content, and (4) network security breaches. Key property insuring agreements provide coverage for extortion threats, crisis management expense, and business interruption. Technology E&O Insurance is often confused with Cyber/Privacy Insurance. In contrast to Technology E&O Insurance, cyber and privacy insurance is intended to protect *consumers* of technology products and services. Nevertheless, Cyber/Privacy Insurance policies do offer a number of the same insuring agreements as Technology E&O Insurance.

“Cyber/Privacy Insurance” means insurance designed to cover consumers of technology services or products. More specifically, the policies are intended to cover a variety of both liability and property losses that may result when a business engages in various electronic activities, such as selling on the Internet or collecting data within its internal electronic network.⁵ Note this coverage is not only for an electronic breach, but also for paper data breaches. Most notably, but not exclusively, Cyber/Privacy Insurance policies cover liability for a data breach in third party personal information, such as Social Security numbers, credit card numbers, Protected Health Information as defined in HIPAA and its implementing regulations, Personal Information as defined in HIPAA and its implementing regulations and Personal Information as defined in R.I. Gen. Laws § 11-49.3-1, *et seq.*, as amended, or as otherwise defined in the Contract (“Confidential Information”) is exposed or stolen by a hacker or other criminal who has gained access to Vendor’s electronic network. The policies cover a variety of expenses associated with both electronic and paper data breaches including notification costs, credit monitoring, costs to defend claims by state regulators, fines and penalties, and loss resulting from identity theft. In addition, the policies cover liability arising from website media content, as well as property exposures from: (a) business interruption, (b) data loss/destruction, (c) computer fraud, (d) funds transfer loss, and (e) cyber extortion. Cyber/Privacy Insurance is often confused with Technology E&O Insurance. In contrast to Cyber/Privacy Insurance, Technology E&O Insurance is intended to protect providers of technology products and services, such as computer software and hardware manufacturers, website designers, and firms that store data on an off-site basis. Nevertheless, Technology E&O Insurance policies do contain a number of the same insuring agreements as cyber and privacy policies.

⁴ <https://www.irmi.com/term/insurance-definitions/technology-errors-and-omissions-insurance>.

⁵ <https://www.irmi.com/term/insurance-definitions/cyber-and-privacy-insurance>.

