

SIBCR Procurement Policy

General Guidelines

The Seattle Institute for Biomedical and Clinical Research (SIBCR) is committed to prudent business practices for the procurement of goods and services necessary for the effective conduct of its research and education activities. SIBCR requires that PIs, their staff, or other individuals who plan for or purchase products, equipment, supplies, and services with SIBCR funds, base purchases on sound business practice, best value, accountability, and compliance with donor, sponsor and regulatory requirements. Individuals planning for or making purchases must follow this and other SIBCR policies and procedures.

Procurements of goods and services charged directly to federal awards must comply with the procurement requirements of 2 CFR Part 200 (Uniform Guidance), and the debarment and suspension provisions of 2 CFR Part 180. All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of Part 200.

In addition, all purchases must comply with all terms and conditions of the funding source and must be used for VA-approved research or education. Finally, SIBCR strongly encourages best practices for purchases made with non-federal funds.

Whenever possible, all individuals purchasing on behalf of SIBCR should purchase goods and services from the SIBCR approved vendor list to reduce administrative burden, maximize buying power and to include diverse and disadvantaged businesses.

For purposes of this policy, the term “vendor” is used interchangeably with the term “contractor” to mean a supplier providing goods or services to SIBCR for SIBCR’s own use.

Conflict of Interest, Regardless of Funding Source

All purchasing activities conducted on behalf of SIBCR, whether made with federal or non-federal funds, must follow the standards outlined in Appendix A. These standards are intended as a supplement to SIBCR’s existing conflict of interest policies.

Purchases with Federal Funds

SIBCR receives significant funding from federal sources and **must** comply with the federal regulations for purchases with federal funds as well as expenses transferred onto federal funds. See Appendix B for a summary table of purchase requirements. These purchases are reviewed by the SIBCR Accounting Office for compliance with federal regulations (i.e., debarment and suspension) and are subject to internal and external audit. **PIs and their authorized designees are required to provide the Accounting Office with back-up documentation and retain a copy on file for federal auditors. Examples of documentation include: a rationale for method of procurement, vendor information, bids, quotes, and/or cost/price analyses.**

- A. Micro-Purchases - Goods or services ≤ \$25,000: Purchases should be made at a cost considered reasonable and distributed equitably among qualified suppliers (to the extent practicable). A Vendor Justification Form (VJF) is not required. Use of SIBCR-approved vendors is encouraged.
- B. Small Purchases - Goods or services > \$25,000 to \$250,000: Price and rate quotations must be obtained from an adequate number of qualified sources. Purchasers must complete the SIBCR VJF and provide backup documentation to the SIBCR Accounting

Office. Purchases or expenses transferred onto federal funds must meet the VJF criteria.

- C. Purchases >\$250,000: A formal bid process with written quotes is required for federal purchases greater than \$250,000. Quotes must follow competitive proposal guidelines (or sealed bids if construction). A competitive bid proposal requires that a formal Request for Quote (RFQ) or Request for Proposal (RFP) be publically advertised, evaluated and selected in accordance with Uniform Guidance specifications.
- D. Non-competitive procurement: is used when choosing a specific company and bypassing the competition. It is only allowable under certain specific circumstances as listed on the SIBCR VJF.
- E. Avoid wasteful or duplicative purchases: Uniform Guidance requires SIBCR purchasers to avoid the purchase of unnecessary or duplicative items. In addition, when possible, purchasers should compare the costs of leasing versus buying, assess the feasibility of consolidating, breaking out purchases or sharing a product or service to reduce overall costs.
- F. SIBCR may not engage in transactions with parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities pursuant to Executive Orders 12549 and 12689, 2 CFR part 180.

All Funds Other Than Federal

Follow funder/grant terms and best practices for purchases with any non-federal funds.

Typically, only purchases made with federal funds must comply with the terms of Uniform Guidance. However, note that any purchases transferred to a federal award **must** comply with the Uniform Guidance and the terms of the award, even if the purchase was originally made with non-federal funds.

Likewise, purchases transferred to other funds **must** comply with sponsor or donor terms, if applicable, even if the purchase was originally made with unrestricted funds. See Appendix B for a summary table of best practices when using non-federal funds.

SIBCR approved vendors should be used whenever possible.

- A. Micro-Purchases - Goods or services ≤\$25,000: for purchases with a total value of \$25,000 or less, the purchaser may use their discretion to select a responsible supplier to purchase goods or services.
- B. Small Purchases - Goods or services > \$25,000 to \$250,000: if an SIBCR approved vendor is not available (or a purchaser believes there is an opportunity to acquire the good or service for a lower cost, taking the total cost of ownership into consideration), purchasers should obtain at least two quotes (three or more is best practice) from qualified suppliers. See Appendix B regarding a summary table of best practices when using non-federal funds. The SIBCR VJF is not required.
- C. Goods or services >\$250,000: for purchases greater than \$250,000, purchasers should conduct a formal bid process from at least two vendors (three or more is a best practice). Contact the SIBCR Accounting Office to discuss the purchase process.
- D. Wasteful or duplicative purchases: A best practice is to consider ways to prevent the purchase of unnecessary or duplicative items.
- E. SIBCR may not engage in transactions with any parties that are debarred,

suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities pursuant to Executive Orders 12549 and 12689, 2 CFR part 180.

Diverse and Disadvantaged Businesses, Regardless of Funding Source

SIBCR purchasers must take affirmative steps when possible to create a climate of inclusion and support of diverse and disadvantaged businesses. This category includes disadvantaged, minority owned, women owned, small, veteran-owned and service-disabled veteran-owned businesses. Whenever possible, purchasers are encouraged to:

1. Identify and place qualified diverse and disadvantaged businesses on solicitation lists;
2. Assure that such businesses are solicited when they are potential sources;
3. Divide total requirement, when economically feasible, into smaller tasks or quantities to permit maximum participation by such businesses;
4. Establish delivery schedules, where requirements permit, which encourage such business to respond; and,
5. Use service and assistance from such organizations as SBA and the Minority Business Development Agency of the Department of Commerce.

Vendors and contractors are required to take the affirmative steps listed in (1) through (5) of this section if they issue further subcontracts.

APPENDICES

Appendix A: Responsibilities of Purchasers and Conflict of Interest Standards

Appendix B: Summary of Purchasing Procedures

Appendix C: Vendor Justification Form (VJF)

Appendix A

Responsibilities of Purchasers and Conflict of Interest Standards

All individuals conducting purchasing activities on behalf of SIBCR **must** avoid real or apparent conflicts of interest in their purchasing decisions, including but not limited to the following:

<ul style="list-style-type: none">• Avoid the intent, appearance, and conduct of unethical or compromising practice in relationships, actions, and communications, including with affiliates.
<ul style="list-style-type: none">• Demonstrate loyalty to SIBCR by diligently following the applicable laws, policies and procedures using reasonable care and only the authority granted as an agent purchasing on behalf of SIBCR.
<ul style="list-style-type: none">• Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of SIBCR. A conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.
<ul style="list-style-type: none">• Avoid procuring goods or services from a vendor who participated in advising, developing or drafting the request for proposals or bidding criteria. Vendors who participate in developing or drafting these components are excluded from competing for such procurements.
<ul style="list-style-type: none">• Refrain from soliciting or accepting money, loans, credits, gratuities, favors, anything of monetary value, or prejudicial discounts; such as the acceptance of material gifts or entertainment, or any kind of favors or services from present or potential suppliers that might influence, or appear to influence procurement decisions.
<ul style="list-style-type: none">• Handle information of a confidential or proprietary nature to SIBCR and/or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations. Bids and quotes submitted to SIBCR are to be held in strictest confidence.
<ul style="list-style-type: none">• Promote positive supplier relationships through courtesy and impartiality in all phases of the procure-to-pay cycle.
<ul style="list-style-type: none">• Do not use SIBCR vendor accounts for personal purchases, or use SIBCR buying power for personal benefit.

If an individual believes that they may have a real or apparent conflict of interest, the individual must promptly and fully disclose the conflict to their supervisor and suspend participation on the purchase until the conflict question has been resolved. The supervisor is responsible for documenting the conflict and elevating it to the SIBCR Director of Finance. The supervisor in conjunction with other relevant offices will assess the conflict and determine if the purchaser can resume participation or if a management plan is needed. This section is not meant to replace or detract from the existing SIBCR Financial Conflict of Interest Policies.

Violations of the above standards will be considered serious misconduct and will be referred to the appropriate office for disciplinary action.

Appendix B
Summary of Purchasing Procedures

Threshold	REQUIRED for Federal Funds or Expenses Transferred onto Federal Funds	BEST PRACTICE Non-Federal Funds (all other funds)
\$0-\$25,000 Micro Purchase	<ul style="list-style-type: none"> • SIBCR approved vendors are encouraged. • Purchases should be made at a cost considered reasonable and distributed equitably among qualified suppliers to the extent practicable. • Consider use of group purchasing arrangements, such as VWR, Nikon, Office Depot and UPS. 	<ul style="list-style-type: none"> • SIBCR approved vendors are encouraged. • Purchases should be made at a cost considered reasonable and distributed equitably among qualified suppliers to the extent practicable.
>\$25,000-\$250,000 Small Purchase Simplified Acquisition Threshold (SAT)	<ul style="list-style-type: none"> • SIBCR approved vendors are encouraged. • Electronic Vendor Justification Form (VJF) must be completed and sent to accounting@sibcr.org. <ul style="list-style-type: none"> ○ Quotes from an adequate number of qualified sources: A minimum of 2 but recommend 3 written quotes (email is allowable). ○ Back-up documentation regarding vendor selection justification must be sent with the VJF (e.g., quotes, technical specs, websites, price sheets, explanation of single vendor, etc.). • Purchases should be distributed equitably among suppliers to the extent practicable. 	<ul style="list-style-type: none"> • SIBCR approved vendors are encouraged. • Should obtain a minimum of 2 but recommend 3 written quotes (email is allowable). • Purchases should be distributed equitably among qualified suppliers to the extent practical.
>\$250,000 or more	<ul style="list-style-type: none"> • Same as Small Purchase/SAT above, <u>AND</u> • Contact SIBCR Accounting before proceeding with any purchasing activities. • Must conduct a formal written bid process. <ul style="list-style-type: none"> ○ If a competitive bid, vendor selection should be awarded to the bidder whose proposal is most advantageous to the program with price being one of the factors. ○ Sealed bids must select the vendor that meets the requirements and has the lowest bid. • Purchaser must complete the VJF. 	<ul style="list-style-type: none"> • Same as Small Purchase/SAT above

Appendix C
SIBCR Vendor Justification Form (VJF)

Purchase Order Number: _____ Vendor: _____

Please complete, sign and email this form with backup documentation to **accounting@sibcr.org**.

Purchased with (select one): Federal Funds or Non-Federal Funds

SIBCR requires vendor selection justification and price reasonableness verification for orders >\$25,000 purchased with federal funds.

All individuals making purchases on behalf of SIBCR must follow the conflict of interest standards outlined in Appendix A of the Procurement Policy as well as any of SIBCR's other existing conflict of interest policies, all available at <https://sibcr.org/policy-manual.html>. Purchases transferred onto federal funds must also meet these requirements.

Purchases made with federal funds may be subject to audit at any time. All such purchases must be made prudently and are subject to fair and reasonable pricing. Internal documentation such as purchase orders, invoices, copies of competitive quotes or proposals, or cost/price analysis must be provided to the SIBCR Accounting Office as justification of reasonable pricing for items >\$25,000.

ORDER THRESHOLDS	
Check appropriate boxes, complete required fields and send to accounting@sibcr.org.	
<input type="checkbox"/>	≤\$25,000 – Completion of a VJF is not required. Use of SIBCR approved vendors are encouraged. <i>If purchasing supplies or services from the same vendor where the aggregate dollar amount of this purchase exceeds \$25,000, then use this VJF based on the aggregate dollar amount.</i>
<input type="checkbox"/>	>\$25,000-\$250,000 – Select vendor and quote type: <ul style="list-style-type: none"> <input type="checkbox"/> Competitive purchase/quote: Same items priced differently by several vendors. <i>Minimum of two written quotes are required, three preferred. Complete Sections A and B.</i> <input type="checkbox"/> Single Vendor: If only one quote is received, complete Sections A and B <u>and</u> provide a justification for the use of a single vendor.
<input type="checkbox"/>	>\$250,000 – Select vendor and bid type: <ul style="list-style-type: none"> <input type="checkbox"/> Competitive purchase/bid: SIBCR must conduct a formal competitive bid process. Contact the SIBCR Accounting Office for further guidance before proceeding with obtaining bids. <input type="checkbox"/> Sole Source Vendor: Procurement through solicitation of a proposal from only one source, therefore bypassing vendor and price competition. Complete Sections A and C and contact the SIBCR Accounting Office for further guidance.
SECTION A- VENDOR SELECTION	
Competitive Bid: <i>Minimum of two bids required, three preferred. Retain copies of bids/quotes; send back-up documentation.</i>	
Vendor A: _____	Total Price: _____ Quote Contact: _____ Quote Date: _____
Vendor B: _____	Total Price: _____ Quote Contact: _____ Quote Date: _____
Vendor C: _____	Total Price: _____ Quote Contact: _____ Quote Date: _____

SECTION B- SELECTION OF SOURCE & PRICE REASONABLENESS

Cost/ Price Analysis: For procurement >\$25,000 but ≤\$250,000, select one or more of the following statements to indicate that the quoted price was fair and reasonable.

- The quoted prices incorporate discounts not available to the general public and reflect substantial savings (e.g. contract partnership agreements, negotiated pricing, etc.).
- The quoted prices compare favorably to previous prices paid for the same or similar items, documented on PO number: _____ (must be documented)
- The quoted prices were reviewed as part of SIBCR's overall proposal by the federal sponsoring agency and found to be acceptable.
- The vendor has stated that the quoted prices are no greater than those charged to the vendor's most favored customer (e.g. VA, UW).
- The price was obtained from a current catalogue or standard printed price list.
- Quoted price was the least expensive among bids (see Section A).
- Item is only available from a single vendor for scientific reasons (for example when a service or item is only available with the required quality from one source or only one source can provide the items or service in the time frame required).

Supply a justification for use of a single vendor:

SECTION C- NON-COMPETITIVE PROCUREMENT JUSTIFICATION

For items > \$250,000.

- Item or service is available only from a single source worldwide.
- Public exigency or emergency will not permit a delay resulting from competitive solicitation.
- After solicitation of a number of sources, competition is determined inadequate.
- The federal awarding agency or prime awardee has expressly authorized noncompetitive proposals (prior approval must be documented).
- Item is only available from a single vendor for scientific reasons (for example when a service or item is only available with the required quality from one source or only one source can provide the items or service in the time frame required).

Supply a justification of the circumstance(s) indicated above:

PI AUTHORIZATION

Signature: _____

Date: _____

Name (printed): _____

Email Address: _____

Telephone: _____