

UNIVERSITY OF NORTH CAROLINA

SCHOOL OF THE ARTS

UNC School of the Arts Purchasing & Contracting Essentials

The Guide to Successful Contracts and Purchasing at
UNCSA

Revised 06/2021

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Introduction

Greetings!

The University of North Carolina School of the Arts' Department of Campus Purchasing Services is responsible for the effective oversight of all aspects of Purchasing, surplus property, insurance and contracting activity related to business transactions. Our focus is to provide responsible resource management, exceptional best-value Purchasing strategies and streamlined Purchasing processes. We want to ensure that contracting and materials management processes protect the University's resources. We recognize that there is not an effective, overall "one size fits all" approach for the services we provide; therefore, we focus on providing our customers with effective solutions that will meet their acquisition, resource and contracting needs.

This guide, **Purchasing and Contracting Essentials**, was created in order to provide our customers with a brief overview of the tools, resources and processes managed by our Campus Purchasing Services professionals.

As you review this guide, feel free to contact me with your suggestions and feedback. Our customers' input is highly valued and we want to hear from you!

As always – thank you!

Jeanette M. Valentine

Jeanette M. Valentine
Director of Purchasing, Contract
and Auxiliary Services

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Roles and Responsibilities

The members of Campus Purchasing Services and their rolls are listed below for your convenience:

Jeanette Valentine, Director of Purchasing, Contract, and Auxiliary Services

336-770-3319

valentinej@unca.edu

Areas of Responsibility: Oversight of Dining, Purchasing, Mail Center, Surplus Property, Virtual Bookstore, State & UNC System Contracts, RFQs, IFBs, RFPs, Third Party Accounts, Insurance, Compliance, State Reporting, and Contract Administration

Associate Director of Purchasing

336-770-3320

purchasinginbox@unca.edu

Areas of Responsibility: Purchasing, Purchasing Card Administrator, State & UNC System Contracts, RFQs, IFBs, RFPs more than \$5,000, Purchase Orders, COI and Tort Requests, and Central Receiving / Surplus Supervisor

RaSheeda Lloyd, Purchasing Specialist & Pcard Manager

336-631-1589

lloyd@unca.edu

Areas of Responsibility: Purchasing Card Management, Change Orders, PO Close Outs, Vendor Registration, Office Supply & Amazon Orders, Auto Claims and Processing, Quality Acceptance Inspections, Training, and Web content updating

Eli Lowe, Warehouse & Mail Center Manager

336-631-1204

lowee@unca.edu

Responsibilities include: Merchandise Receiving, Merchandise Delivery, Records Pick-Up and Storage, Surplus Property Pick Up and Delivery, Warehouse and Mail Center Operations

Brandon Mitchell, Warehouse Technician

336-631-1204

mitchellbr@unca.edu

Responsibilities include: Merchandise Receiving, Merchandise Delivery, Records Pick-Up, Records Storage, Warehouse Operations, Surplus Property Pick-Up and Surplus Property Delivery.

2 Purchasing Authority

Thresholds

The State of North Carolina Department of Purchase & Contract grants the authority to State entities to purchase goods and services within the delegated dollar threshold. Below is a listing of the thresholds for UNC School of the Arts:

<i>Estimated Cost</i>	<i>Purchasing Requirements Goods, Printing and Nonprofessional Services</i>	<i>Estimated Order Lead Time (Business Days)</i>
\$ 5,000 or less Processed IN HOUSE	Individual Departments will create a Requisition in Banner. An official Quote from the vendor will need to be submitted to Campus Purchasing Services for attachment to the requisition.	Up to 24 hours
\$5,000 to \$24,999 (Lowest Quote Acceptable) Processed IN HOUSE	Individual departments will submit a Departmental Bid Form, Detailed specifications in WORD or EXCEL format, A Brand – Specific Waiver (if required). Once all items have been received in the purchasing inbox, Campus Purchasing Services will determine if a Request for Quote (RFQ) will be issued to 3 vendors for pricing, or if a complex service bid is required.	Up to 72 hours
\$5,000 to \$24,999 (Complex Services) Processed IN HOUSE	Campus Purchasing Services will seek competition at this cost point via (IFB/RFP), and require a Sealed Bid. ALL Sealed Bids are required to be Original. The Bid must be hand delivered or mailed to Campus Purchasing Services.	Up to 10 days
\$25,000 to \$100,000 Processed IN HOUSE	Campus Purchasing Services will seek competition at this cost point via (IFB/RFQ/RFP). All Purchases over \$25,000 must be placed on IPS and requires a Sealed Bid. ALL Sealed Bids are required to be Original. The Bid must be hand delivered or mailed to Campus Purchasing Services.	Up to 30 Days (Sealed Bids)

<p>\$100,000 to \$500,000</p> <p>Processed BY UNC SO</p>	<p>The Purchasing Department of UNC System Office (UNC SO) will oversee the University's solicitation to seek competition using a formal sealed method of Purchasing (IFB/RFP). Posting in IPS is required. Sealed bids are opened and read aloud at a public bid opening.</p>	<p>30-90 Days (Sealed IFB)</p> <p>30-90 Days (Sealed RFP)</p>
<p>\$500,000 and UP</p> <p>Processed BY STATE P&C or SITP</p>	<p>State of NC Department of Purchase & Contract or Statewide IT Purchasing will seek competition using a formal sealed method of Purchasing (IFB/RFP). Posting in IPS is required. Sealed bids are opened and read aloud at a public bid opening.</p>	<p>30-90 Days (Sealed IFB)</p> <p>30-90 Days (Sealed RFP)</p>

Below \$5000

UNCSA Departments have delegated authority to make purchases below \$5000 for goods and services, as they deem necessary. If the total order is under \$5000, the department may get quotes and process a requisition.

This does not mean that there are spending guidelines we must follow when purchasing goods or services. North Carolina State Purchase & Contract executes bids on behalf of the State of North Carolina. These State Term Contracts are for utilization by State agencies. Some of the contracts are mandatory and some are for convenience. You will find an alphabetical listing of these contracts by following the link below:

<http://www.pandc.nc.gov/keyword.aspx>

When making a Purchase from a vendor under the \$5000 threshold, there are several methods that may be utilized:

- **Purchasing Card** – This is the PREFERRED way to make **purchases under \$5000**. The use of P-Card is highly efficient and makes the entire process faster than processing Purchase Orders. Refer to the P-Card User’s Manual for allowable purchases and procedures for utilizing the P-Card.
- **Purchase Order** – A Department can request a Purchase Order by processing a Purchase Requisition in the Banner Financial System. Once the Purchase Order is generated, it will be sent electronically to the Department, who in turn, forwards it to the vendor to finalize the purchase of the good or service. All purchase orders must have a quote forwarded to the Purchasing Inbox for verification and attachment to the PO.

\$5,000 to \$24,999 (Lowest Quote Acceptable)

When a department is making a purchase between \$5,000 and \$24,999 that is NOT on a State Term Contract, and is commodity based and/or a simple service, the department must submit the following to Campus Purchasing Services to initiate the process:

- Departmental Bid Form
- Detailed specifications in WORD or EXCEL format
- A Brand – Specific Waiver (if required)

Once all items have been received in the purchasing inbox, Campus Purchasing Services will determine if a Request for Quote (RFQ) will be issued to 3 vendors for pricing, or if a complex service bid is required.

Simple Service examples include painting, plumbing, electrical work, etc. Anything that can be shown to the vendor and quoted. As a reminder, Facilities Management must still approve all structural work done on campus. A copy of their approval must accompany your documents when submitted to Purchasing Services.

\$5,000 to \$24,999 (Complex Services)

When a department is making a purchase between \$5,000 and \$24,999 that is NOT on State Term Contract, and is a more complex service, Campus Purchasing Services will handle the Purchasing. The department must submit the following to Campus Purchasing Services to initiate the process:

Departmental Bid Form

Quote from a vendor for the Items / Service needed

Detailed specifications in WORD or EXCEL format.

A Brand – Specific Waiver (if required)

Once all items have been received, Campus Purchasing Services will begin the Bid Process. Depending on the need, one of two Solicitation formats will be used. For commodities or simple services, an Invitation for Bid (IFB) will be used. The Invitation for Bid (IFB) will be sent to vendors listed on the Departmental Bid form. The bid is due to Campus Purchasing Services, typically, within 5 business days. Once the Purchasing process has started, no department other than Campus Purchasing services can communicate with vendors regarding the solicitation. The Contract Award will be made to the lowest responsible & responsive bidder.

For complex services or services where we want the vendor to provide a detailed description explaining what means they will utilize to provide the service, a Request for Proposals will be used. This document will be compiled and placed on the State of North Carolina Interactive Purchasing Site, which is open to all registered vendors. The bid is due back to Campus Purchasing Services, typically, within 10 to 15 business days. Once the Purchasing process has started, no department other than Campus Purchasing services can communicate with vendors regarding the solicitation. The Contract Award will be made to the vendor who provides the “Best Value” to the University. This is not always the lowest priced vendor.

\$25,000 to \$100,000

When a department is making a purchase that is between \$25,000 and \$100,000 that is NOT on State Term Contract Campus Purchasing Services will handle the Purchasing. The department must submit the following to Campus Purchasing Services to initiate the process:

- Departmental Bid Form
- Quote from a vendor for the Items / Service needed
- Detailed specifications in WORD or EXCEL format.
- A Brand – Specific Waiver (if required)

Once all items have been received, Campus Purchasing Services will begin the Bid Process. Depending on the need, one of two Solicitation formats will be used. For commodities or simple services, an Invitation for Bid (IFB) will be used. This document will be compiled and placed on the State of North Carolina Interactive Purchasing Site, which is open to all registered vendors. The bid is due back to Campus Purchasing Services, typically, within 10 business days. Once the Purchasing process has started, no department other than Campus Purchasing services can communicate with vendors regarding the solicitation. The Contract Award will be made to the lowest responsible & responsive bidder.

For complex services or services where we want the vendor to provide a detailed description explaining what means they will utilize to provide the service, a Request for Proposals will be used. This document will be compiled and placed on the State of North Carolina Interactive Purchasing Site, which is open to all registered vendors. The bid is due back to Campus Purchasing Services, typically, within 10 to 15 business days. Once the Purchasing process has started, no department other than Campus Purchasing services can communicate with vendors regarding the solicitation. The Contract Award will be made to the vendor who provides the “Best Value” to the University. This is not always the lowest priced vendor.

\$100,000 and Above

When a department is making a purchase that is above \$100,000 that is NOT on State Term Contract the State of North Carolina Department of Purchase and Contract (P&C) will handle the Purchasing of all NON-IT commodities and services above \$500,000. NC Statewide IT Purchasing (SITP) will handle the Purchasing of all IT commodities and services above \$500,000. The University of North Carolina System Office will handle all purchase requests ranging from \$100,000 to \$500,000. The department must submit the following to Campus Purchasing Services to initiate the process:

- Departmental Bid Form
- Quote from a vendor for the Items / Service needed
- Detailed specifications in WORD or EXCEL format.
- A Brand – Specific Waiver (if required)

Once all items have been received, Campus Purchasing Services will begin the process of working with the appropriate agency (UNCSO, P&C or SITP) to facilitate the Purchasing. Depending on the need, one of two Solicitation formats will be used. For commodities or simple services, an Invitation for Bid (IFB) will be used. This document will be compiled, approved by the oversight agency (UNCSO, P&C or SITP) and placed on the State of North Carolina Interactive Purchasing Site, which is open to all vendors. The bid is due back to Campus Purchasing Services, typically, within 10 to 15 business days after being placed on IPS. Once the Purchasing process has started, no department other than Campus Purchasing services can communicate with vendors regarding the solicitation. The Contract Award will be made to the lowest responsible & responsive bidder after our award recommendation is approved by the oversight agency.

For complex services or services where we want the vendor to provide what means they will utilize to provide the service, a Request for Proposals will be used. This document will be compiled, approved by the oversight agency (UNCSO, P&C or SITP) and placed on the State of North Carolina Interactive Purchasing Site, which is open to all vendors. The bid is due back to Campus Purchasing Services, typically, within 10 to 15 business days after being placed on IPS. Once the Purchasing process has started, no department other than Campus Purchasing services can communicate with vendors regarding the solicitation. The Contract Award will be made to the vendor who provides the “Best Value” to the University, after our award recommendation is approved by the oversight agency. This is not always the lowest priced vendor.

Brand Specific Solicitations

A Brand Specific Request allows a contract to be awarded for a specific brand name supply or service item under certain circumstances.

Circumstances that could necessitate Brand specific Purchasing are listed on the Brand Specific Waiver Request. Brand specific procedures do not apply if the Total Contract Value is \$5,000 or less. Only authorized Campus Purchasing Services' personnel shall make the determination as to whether the Purchasing shall be solicited as Brand Specific. Please note that this does not exempt the purchase from the competitive Purchasing process. A Brand Specific Solicitation, RFQ, IFB or RFP will be issued as required; however, only vendors that can provide the specific brand will be considered for award.

Sole Source Purchases

Sole Source Exemption allows for a contract to be awarded to a vendor when no competition has been sought. Pursuant to North Carolina General Statutes, competition shall be sought whenever practical; however, the University may waive the competitive process and approve Sole Source purchase provided that the requester can adequately justify its need. In cases where an alternate supplier for a similar product or service cannot be identified, the requester must document that a good faith effort has been made in seeking other sources. This is handled by completing and submitting a Sole Source Justification Form, with all required documentation, to Campus Purchasing Services. The request will be reviewed by purchasing personnel and a determination will be made. In some instances, additional research may be conducted by Campus Purchasing Services to see if alternate Purchasing sources can be located. Once the request is approved by Campus Purchasing Services, a requisition can be processed in Banner.

4 Contract Information

Contract Forms

In order to acquire Commodities or Services, the parties involved should enter into some form of written contract regardless of the dollar value. Written contracts may be in a variety of forms including, but not limited to, Purchase Orders (w/ UNCSA Terms & Conditions), Professional Services Agreement (PSA), Use Agreements and Rental Agreements. Contracts do not need to be labeled as such to be legally binding as interpretation is typically based on the content. There are different types of contracts used to formalize the obligations and expectations of the parties involved.

Oral Contracts

Oral Contracts are not an acceptable form of contract and are **not** binding on the University.

Contracting in Good Faith

UNC School of the Arts contracts in good faith. It is our obligation to ensure that UNCSA contracts are enforceable, legal, fair, and represent terms and conditions under which UNCSA can agree. Some contracts contain terms and conditions that, as a State entity, we cannot agree to. Each contract the University enters into must be reviewed by Campus Purchasing Services and UNCSCO Legal, if required, before getting signed. Contracts must accurately represent the obligations, expectations and the timeframe in which the contract is valid.

Prohibited Contract Clauses

As a State university, UNCSA is prohibited by law from agreeing to certain contractual terms. Below are the most commonly occurring types of prohibited clauses or provisions. If a proposed contract contains one or more of these prohibited clauses or provisions, the contract will not be approved by Campus Purchasing Services, UNCSCO Legal or the individual authorized to sign the contract.

Acceleration of Payment	Arbitration
Assignment of Rights	Choice of Law / Governing Law
Forum, Venue and Jurisdiction Selection	Indemnification
Limitation of Liability	Liquidated Damages
Material Breach / Irreparable Harm	Statute of Limitations
Non-Compete Clauses	

Contract Officers

Contract Signature Authority is delegated by the Chancellor for signature specific contract types on behalf of the University of North Carolina School of the Arts. Only Contract Officers are authorized to sign and execute contracts and other written instruments on behalf of UNCSEA. According to UNCSEA Policy #109 – Signature Authority for Contracts, Contract Authority for UNCSEA is as follows:

A. Vice Chancellor of Finance & Administration and Provost. All Purchasing contracts over \$10,000.00 and below \$50,000; faculty contracts, exchange agreements, intellectual property agreements, and appointment letters; rental and license agreements; and all lease agreements.

B. Vice Chancellor of Advancement. All agreements relating to gifts to the State, bequests to the State, grant proposals relating to scholarships or endowed funds, and letters and other documents regarding personnel matters relating to employees in the Vice Chancellor of Advancement’s division;

C. Vice Provost and Dean of Students. Contracts and agreements below \$2,500 for entertainment, professional services, and other activities funded by student fees; contracts relating to services provided by the Student Health Center.

D. Director of Human Resources. Letters and other documents regarding personnel matters.

E. Academic & Arts Deans. Professional Services Agreements (using the standard template agreement) for their respective schools with a total dollar amount of \$500 or less which do not fall into any of the above categories (e.g., an agreement for a purchase of \$500 or less, with no lease aspects, etc.).

F. Director of Purchasing, Contract, and Auxiliary Services. All Purchasing related contracts below \$10,000; copier agreements; insurance agreements and renewals. All Purchase Orders, requests and invitations for quotes, proposals and bids.

G. Associate Vice Chancellor of Facilities Management. All design, construction, repair, and renovation contracts.

6 Contract Routing Process

Except as otherwise permitted by policy or procedure, all school Purchasing contracts must be submitted to the Director of Purchasing, Contract, and Auxiliary Services' office for review and approval prior to obtaining signatures for the contract. The following procedure shall be used:

1. The initiating department will complete the Contract Routing Form and attach a copy to the original contract that requires review and execution.
2. The Contract Routing Form and original contract will be forwarded to the Director of Purchasing, Contract, and Auxiliary Services for initial review. The Director of Purchasing, Contract, and Auxiliary Services will sign the Contract Routing Form and forward as required.
3. If the contract is over \$100,000 the Director of Purchasing, Contract, and Auxiliary Services will forward it to Legal Counsel for review. The Legal Counsel will sign the Contract Routing Form and forward as required.
4. If the contract is for IT related services, the Director of Purchasing, Contract, and Auxiliary Services will forward it to the Chief Technology Officer for review. The Chief Technology Officer will sign the Contract Routing Form and forward as required.
5. All contracts will be routed through Budget and reviewed for fund availability, The Director of Budget will sign the Contract Routing Form and forward as required.
6. Once all reviews have been completed, the Director of Purchasing, Contract, and Auxiliary Services will execute the contract (if under \$10,000) or will forward to the appropriate individual for execution.
7. Once executed, the contract will be returned to the initiating department.

7 Direct Pay Requests

Direct Pay Requests are used for:

- Registration fees
- Membership fees
- Bank Fees
- Postage Fees
- Student Emergency Checks
- Refunds for Deposits
- Legal Fees/Audit Fees
- Insurance
- Any other instance where pre-payment is required
- UNCSA PSA – personal services provided by a **professional individual (person)** on a temporary or occasional basis. Including (by way of illustration, not limitation) those provided by a doctor, dentist, attorney, architect, professional engineer, scientist or performer of the fine arts and similar professions. The exemption applies only if the individual is using his/her professional skills to perform a professional task. A personal service may also be a consulting service.

Q1 - How can I check on the status of a project that I have submitted to Campus Purchasing Services for bid out?

A1 - Submit an inquiry to bids@uncsa.edu. We will review the project and let you know the status.

Q2 - Can a department sign contracts of little or no cost (such as hotel agreements or rental contracts)?

A2 - If the contract requires a binding signature, it needs to be reviewed by Campus Purchasing Services and Legal, and then it will be signed by someone who is authorized to sign contracts. (Please see “Contract Signing Authority” on page 13)

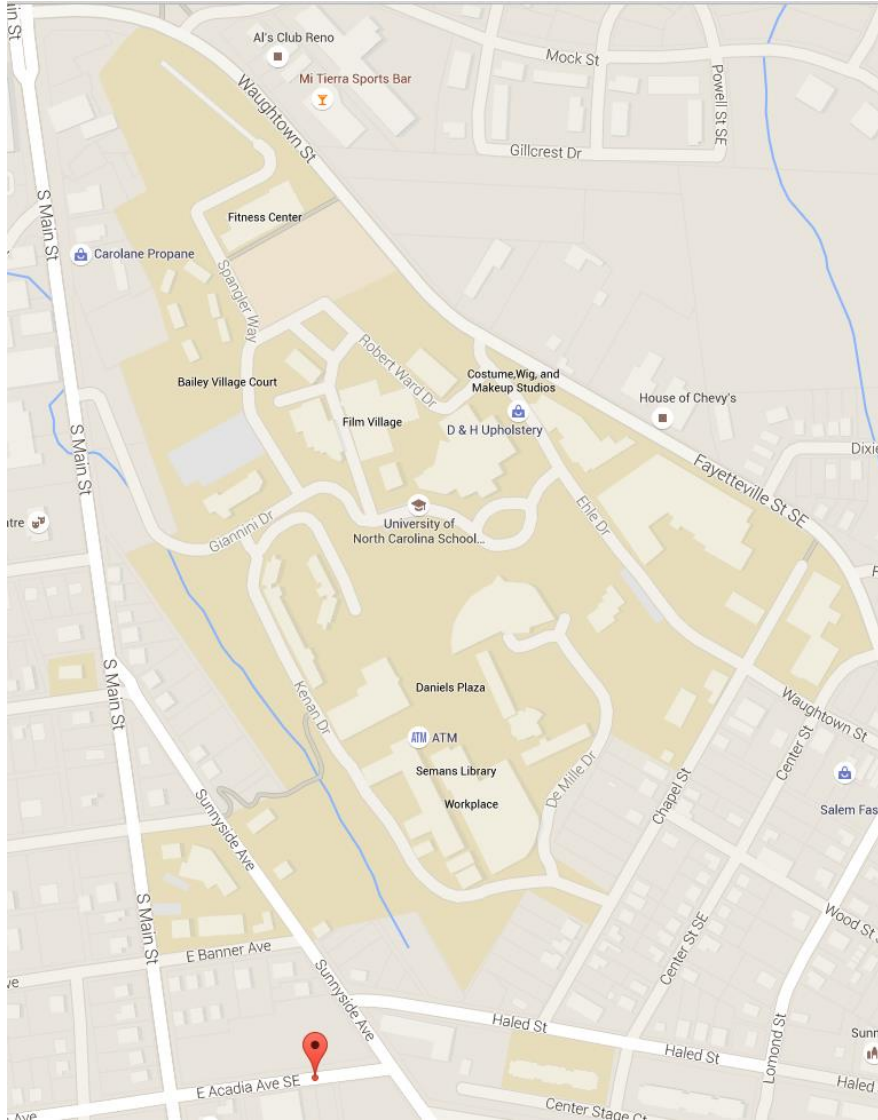
Q3 - How do I request a Certificate of Insurance (COI) if a vendor requests one?

A3 – The COI request form is located on the Purchasing Website under “Forms”. Submittal instructions are located at the top of the form.

Q4 - A vendor has requested our W-9 form. How do I get a copy?

A4 - The W-9 form is located on the Purchasing Website under “Forms”.

Where We Are Located and How to Submit to Us



To submit DEPARTMENTAL BID FORMS: bids@uncsa.edu

To submit SURPLUS REQUESTS: surplus@uncsa.edu

To submit REQUISITION DOCUMENTS: purchasinginbox@uncsa.edu

To submit SOLE SOURCE DOCUMENTATION: bids@uncsa.edu

To submit BRAND SPECIFIC WAIVERS: bids@uncsa.edu