

PURCHASING

February 2008

Policy 6.1.03

Policy:

KUMC Research Institute (KUMCRI) sponsored grants, contracts, and cooperative agreements must meet allowability standards of the specific sponsor and auditing guidelines when purchasing within the KUMCRI system regardless of whether the purchase is made with R&D, internal, or other funds established in the KUMCRI.

Purpose:

Office of Management and Budget Circular A-110 outlines procurement procedures for federally-funded projects. For non-federally funded projects, specific sponsor guidelines will be followed.

Procedures:

Principal Investigator or approved designee signature indicates:

- The purchase is reasonable and necessary to the project.
- The purchase is at the lowest cost to the project, or is accompanied by a justification.
- The purchase meets SPA allowability policies.
- The purchase is within the scope and time frame of the project or existing account.
- There are ample funds available in the project/account for the purchase.
- Faculty resigning from KUMC will need to provide additional purchase justifications regardless of funding source.

Equipment:

- Any purchase between \$25,000 and \$50,000 requires 3 informal bids (telephone quotes, web-based information/quotes, fax quotes, etc).
- Any purchase greater than \$50,000 requires sealed bids and advertising, per the KUMC formal bid process.
- Sole-source equipment purchases require a written justification.
- All equipment purchased with grants, clinical trials, or R&D accounts will become property of the Medical Center. The Research Institute transfers all such equipment to the Medical Center equipment registration office, and the equipment ultimately becomes the permanent property of the State of Kansas. Therefore, equipment may be considered for transfer to a faculty member's future place of employment per KUMC guidelines, provided that certain conditions are met, and a State of Kansas Form DA-110 completed. For further instructions, please see Appendix A of the KUMC Property – Equipment Recovery Policy: <http://www.kumc.edu/Pulse/policy/equipmentrecovery.html>
- Equipment purchases made within the last six months of the project require special approval from the Vice Chancellor for Research.

Vendor Requirements:

- Funding sources may require the use of vendors in a specific category. Example: small businesses, minority-owned firms or women's business enterprises.
- Purchases made with State funds are subject to State of Kansas purchasing guidelines (i.e. State contracts with vendors must utilize KUMC Purchasing for acquisition including split-funded purchases).

Purchasing Alternatives:

- Leases
- Equipment rental

Debarment:

- Any vendor/contractor who is debarred from receiving Federal Procurement may not contract with the Research Institute where Federal funding is involved, per Federal Acquisition Regulation subpart 9.4.

Definitions:

Equipment: means tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5000 or more per unit.

Office of Management and Budget Circular A-110: Uniform administrative requirements for grants and agreements with institutions of higher education, hospitals, and non-profit organizations.

Responsible Parties:

This policy shall apply to all KUMC faculty, staff, postdoctoral fellows, students, trainees, and any other persons at KUMC, University of Kansas Physicians Incorporated and its affiliates, and KU Hospital staff involved in conducting and/or coordinating or managing research at KUMC.

Exemptions:

None

Related Policies and Links:

Federal Acquisition Regulation: <http://www.arnet.gov/far/>

KUMC Property – Equipment Recovery Policy: <http://www.kumc.edu/Pulse/policy/equipmentrecovery.html>

KUMC Purchasing Procedure Manual http://www2.kumc.edu/finance/purchasing/purch_proc_man.html

KUMC Research Institute Policy #1.1.01: Principal Investigator Eligibility:

http://www2.kumc.edu/researchinstitute/spa/SPA_Forms/PI%20Eligibility.pdf

State Of Kansas Form DA-110 (Disposition of Property): <http://www.da.ks.gov/print/pdf/DA110form.pdf>

OMB Circular A-110 <http://www.whitehouse.gov/omb/circulars/a110/a110.html>

Contacts:

Vice Chancellor for Research: 913-588-7068

Associate Vice Chancellor for Research Administration: 913-945-6636

Senior Deputy Director and Chief Financial Officer: 913-588-5469

Controller: 913-588-5749

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