



Sponsored Programs Purchasing Procedure

Procedure Background

In order to ensure appropriate stewardship of Cal Maritime Sponsored Programs (SP) resources, a determination has to be made to show that prices paid for goods and services are fair and reasonable. The level of analysis required will largely depend on the dollar amount of the order and should take into consideration not only price but the quality, delivery and other factors as applicable. Any purchases using Federal Sponsored funds must be in accordance with Uniform Guidance (2 CFR 200.) https://www.ecfr.gov/cgi-bin/text-idx?SID=6214841a79953f26c5c230d72d6b70a1&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

Procedure

The Principal Investigator (PI) and Sponsored Programs (SP) are responsible for ensuring that purchased goods and services are reasonable, allocable, allowable, and consistent per the grant or contract and purchased at a reasonable price and that transparent records related to these activities are maintained. This is true at any dollar level, but more formal analysis is required to be documented at the higher dollar levels per the following dollar thresholds:

1. \$0.00 - \$10,000.00 – per the micro-purchase threshold fixed at 41 U.S. Code § 1902 (currently \$10,000) requires no formal justification/quotes/analysis but the PI and SP should use good judgment in selecting the appropriate vendor.
2. \$10,000.01 - \$49,999.99 – requires either two price quotes from vendors or a justification memo which could include comparative analysis or informal quotes received over the phone or through internet comparisons. (Informal quotations are required to be filled out on the Abstract of Quotations form)
3. \$50,000.00 - \$100,000.00 – unless a SP Sole Source Justification is completed and approved then the purchase of goods or services at this dollar level requires that SP and the PI obtain at least three quotes. These quotes are required to be from three or more vendors who have the capability to perform the request and the individual completing the requisition is required to perform a written analysis on the three quotes and why the winning quote was selected. (Informal quotations are required to be filled out on the Abstract of Quotations form)
4. \$100,000.01 and above – a formal Request for Proposal (RFP) or Request for Quotation (RFQ) is to be solicited. Written specifications and a solicitation award process which recognizes competitive price, responsiveness to specifications, and reputation of vendors is required. Offers should generally be sought from as many responsible vendors as is practical. Unless a SP Sole Source Justification is completed and approved.



*** Excluded from the Competitive Bid Process are:**

Sole source purchases on a non-competitive basis will require written justification and approval. (Use the Sole Source Justification Form) The sole source justification should include:

- a) Unique performance factors of the products/services specified,
- b) Why these factors are required,
- c) What other products have been evaluated and rejected and why.

Purchases that utilize CSU Contract Store

(<https://csyou.calstate.edu/groups/csp/contractstore/Lists/contracts/currentcontracts.aspx> that).

Conflict of Interest

No Cal Maritime employee, or CSU employee, officer, agent, or members of his or her immediate family shall personally derive any benefit or gain or receive preferential treatment related to the purchase of equipment, supplies or services for Cal Maritime.

Restrictions

The purchase of materials, equipment, supplies and services are subject to the following restrictions:

- The purchase must be a reasonable, allocable, and allowable charge.
- If the charge for a funded project is not in the approved project budget, prior approval from the funding agency may be necessary.
- Equipment purchases are generally secured using a purchase order to ensure proper handling, warranty (where appropriate), and recording for inventory purposes. If equipment is purchased and then submitted on a check request for reimbursement, Cal Maritime has the discretion not to approve the purchase if proper information is not received or proper bidding procedures were not followed.
- Procurement Cards are allowable for purchasing with Sponsored Programs funds as long as they follow all other applicable SP procurement procedures.
- Hazardous materials must be secured using a purchase order to ensure proper handling of the substances and University notification and approval.