1. Purpose
The purpose of this policy is to ensure that goods and services purchased for the performance of a federal grant are obtained in a cost-effective manner and in compliance with federal regulations.

2. Scope
This policy applies to Principal Investigators and any designees (“buyer”) authorized to initiate purchases on behalf of a federal grant. This policy is not applicable to the general purchases of the College.

3. Responsibility
The Principal Investigator is responsible for determining whether a purchase is allowable under the terms of the federal grant and will ensure purchases are in accordance with this policy. The Manager, Grants Accounting and Administration (Controller’s Office) will provide decision support upon request and the Controller’s Office will serve as the final repository for purchase transaction records under federal grants.

4. Code of Conduct
As representatives of the College, all employees (faculty and staff) are expected to conduct themselves in a professional and ethical manner, maintaining high standards of integrity and the use of good judgment. Employees are expected to be principled in their business interactions and act in good faith with individuals both inside and outside the campus community.

A full description of the College’s code of conduct is available in the Employee Handbook.

5. Overview
To promote compliance with federal regulations, the College requires buyers to perform some measure of cost/price analysis when making purchases under federal grants. Buyers shall avoid purchasing unnecessary items. All vendor bids and quotations must be evaluated on the basis of product quality, technical compliance with specifications, total cost, and the vendor’s acceptance of the College’s terms and conditions. The vendor selection process for goods and services valued at $3,000 or greater must be documented and stored as part of the transaction record.
6. **Vendor Selection and Bidding Requirements**

Buyers shall consider the following before making a vendor selection:

- Does the vendor provide the best mix of quality, service and price for the specified need? Federal regulations require that the lowest price have priority, unless quality, service or delivery time takes priority as to need.
- Does the vendor qualify as a small, disadvantaged, minority or women-owned business? Qualifying vendors should be given preference to the extent practical and economically feasible.
- Does the vendor supply products and services that conserve natural resources, are energy efficient and protect the environment? Vendors should be given preference, to the extent practical and economically feasible, for such products.

The level of bidding required and documentation to be submitted to the Controller’s Office is determined by the dollar amount of the purchase.

<table>
<thead>
<tr>
<th>Requirement</th>
<th>&lt; $3,000</th>
<th>Between $3,000 and $20,000</th>
<th>&gt; $20,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal bid process required?</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Acceptable forms of bids</td>
<td>n/a</td>
<td>verbal, published catalogues, written</td>
<td>written only</td>
</tr>
<tr>
<td>Minimum number of bids required</td>
<td>n/a</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Submit bid documentation to the Controller’s Office?</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Complete a <strong>Vendor Selection Form</strong>?</td>
<td>not required</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Analyze lease vs. buy options</td>
<td>not required</td>
<td>not required</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**For purchases under $3,000:**

Formal documentation of vendor selection is not required. Buyers are expected to conduct an informal cost/price analysis and select the vendor offering the best mix of quality, service and price for the specified need. Reasonable efforts shall be made to ensure fair and competitive pricing.

**For purchases from $3,000 to $20,000:**

A minimum of three (3) bids, written or verbal, are required. Each vendor must be provided with the same precise and accurate description of the specifications and technical requirements for the item or service. Web price lists and catalogue listings can be considered verbal bids.

Buyers must complete a **Vendor Selection Form**. A copy of the completed form must be attached to the selected vendor’s invoice and submitted to the Controller’s Office for payment.

**For purchases $20,000 and over:**

A minimum of three (3) **written** bids are required. Each vendor must be provided with the same precise and accurate description of the specifications and technical requirements for the item or
service. Written bids may be received by mail, fax or email and should be signed/e-mailed by an authorized representative of the vendor. See Obtaining Competitive Bids below.

Buyers must complete a Vendor Selection Form. A copy of the completed form and all written bids must be attached to the selected vendor’s invoice and submitted to the Controller’s Office for payment.

When lease options are available, an analysis of the lease versus buy option must be performed to determine which alternative would be the most economical and practical form of procurement. The Procurement and Risk Manager (Treasurer’s Office) will assist buyers with a lease/buy analysis upon request.

7. Obtaining Competitive Bids

Solicitations for goods and services shall provide the following:

- A clear and accurate description of the technical requirements for the material, product, or service desired. The description shall not be designed to limit competitive solicitation from multiple vendors.
- Requirements that the bidder must fulfill and all other factors to be used in evaluating bids and proposals.
- A description of the technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- The specific features of “brand name or equal” descriptions that bidders are required to meet.
- To the extent practical, that products and service be dimensioned in the metric system of measurement.
- Preference, to the extent practical and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

Positive efforts shall be made to utilize small-business, minority-owned firms and women’s business enterprises, whenever possible.

8. Non-Competitive Vendor Selection

Occasionally, a buyer is unable to competitively bid the requirements. These situations are characterized as sole or single source transactions. Non-competitive vendor selection may only be used when one or more of the following circumstances apply:

1. The item is available only from a single source;
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
4. After solicitation of a number of sources, competition is determined inadequate.

For non-competitive purchases the Principal Investigator must complete the Vendor Selection Form if the purchase is over $3,000.

9. **Exceptions**
The Vice President for Finance must approve any exceptions to this policy by written notice.

10. **Feedback**
Your feedback regarding this policy is appreciated. Please send an e-mail to the Manager, Grants Accounting and Administration (kmorthla@bowdoin.edu) if you have any comments, questions or suggestions.

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**Policy Distribution List:**
Controller’s Office
Treasurer’s Office
Office of Sponsored Research Programs
Office of Corporate and Foundation Relations
Office of the Dean for Academic Affairs