# Procurement Manual

# A Note from the Procure-to-Pay Department

This manual is designed for all individuals at GW who are involved in requesting, ordering, receiving, and/or paying for goods or services needed by the various divisions and schools.  It is a guide to the tasks and responsibilities of employees who play a role helping maintain GW's reputation for fairness and integrity in procurement practices.

To have an outstanding procurement program, all personnel involved must work as a team, and cooperation between the various functions is vital. Those individuals whose duties require them to become a part of the acquisition function must be aware of the responsibilities delegated to them in their role as an agent for their department; and with the Procure-to-Pay staff who can help them through the procurement process.

This guide will serve as a general framework within which consistent, sound business decisions can be made. The policies and procedures outlined in this manual are all within the context of GW, Federal Acquisition Regulations (FARs), Office of Management and Budget (OMB) Circulars, Uniform Guidance (UG) and other governing sources.

Please note that the goal is to procure materials, supplies, equipment and services deemed to be the ***best value***. To achieve this objective, GW needs to seek, within reason, as much competition as possible. This requires all players in the process to adopt the value of fairness so that the process is open to all those who want to compete for our business.

Each person involved in a procurement action should strive to ensure that integrity and sound business practices are woven throughout the procurement cycle in order to maintain a position of unquestioned ethics in the transaction of university business.

Finally, we welcome your comments or suggestions for improvement and these may be incorporated in future revisions of these procedures.

# Table of Contents

# Chapter 1 –Introduction

The procedures described in this manual have been prepared to ensure the best possible service to all concerned at the George Washington University (GW) and are a summary guide for all employees engaged in procurement activities. The manual clarifies policies and objectives necessary to procure goods and services for our schools and departments as expediently as possible and at the best value for GW.

## 1.1 Procure-to-Pay Department

The Procure-to-Pay Department (P2P) is ready to assist departments in obtaining quality goods and services at competitive prices with responsive and responsible service while ensuring timely delivery. The P2P staff, which primarily consists of buyers, payment processors and analysts that have been assigned responsibilities to support procurement and payables activities on behalf of GW.

## 1.2 How to Contact P2P

P2P is a support department whose major goal is to help all schools and departments through the identification of a need through to the final payment to the supplier. To this end, P2P has been divided into teams dedicated to Goods and Services, Contracts Management, Payables, Procurement Cards (P-Cards), Supplier Registration, and Travel Services. A current listing of team and commodity assignments is maintained on the departmental website at: The Procure-to-Pay Team.

## 1.3 Procure-to-Pay Code of Ethics

In all of their personal and professional dealings with departments, and the supplier community, all employees of GW shall be guided by the conduct and disciplinary provisions of the GW Procurement Code of Ethics

# Chapter 2 – Procurement Requirements and Thresholds

Those who procure on behalf of GW are charged with acquiring the best quality supplies, equipment and services at the lowest cost. To maintain economies of scale, it is necessary for GW to combine and compete like purchases.  P2P follows two distinct tracks depending on the funding source.

## 2.1 Procurement Threshold Matrix

The following matrix lists threshold values for purchases and the actions required based on the funding source. Additional information on the actions required for each threshold also follows. Regardless of funding source, the first stop for any purchase should be iBuy+, GW's online procurement portal for goods, services and travel.

**Sponsored Research Projects:**

Each time goods are required, the approach below should be followed prior to acquiring goods under grants and contracts:

Each research project shall try to acquire their needed goods through resources and publications listed below in descending order of priority:

a. Existing University inventories;

b. Excess from federal agencies and other sources of surplus property; and

c. Existing University and Enterprise-wide contracts;

| **Process for Dollar Amount of Purchase by funding type** | **University Funds & Non-Federal Sponsored Projects** | **Federal Grants and Cooperative Agreements** | **Federal Contracts** |
| --- | --- | --- | --- |
| Single Quote - Competition is encouraged but not required. | <$25,000<br>Required Documentation | <$10,000<br>Required Documentation | <$10,000<br>Required Documentation |
| Three written quotes by Procurement or Requestor<br>Competition is required. | $25,000 – $249,999<br>Required Documentation | $10,000 - $249,999<br>Required Documentation | $10,000 - $249,999<br>Required Documentation |
| Formal Bid or RFP Process<br>Competition is required. | $250,000 and above<br>Required Documentation | $250,000 and above<br>Required Documentation | $250,000 and above<br>Due to public advertisement requirements, Procurement must handle solicitation process.<br>Required Documentation |

### 2.1.1 University Funds and Non-Federal Sponsored Projects less than $25,000

A single quote is required for purchases under $25,000 however competition is encouraged. Please check iBuy+ Goods and Services prior to engaging a new source of supply for a good or service that is currently under agreement with GW.

**Supporting documentation:**

1. **Purchase Order Process:**

   - A quote from the supplier, keeping in mind that competition is encouraged but not required.
   - If a service is requested, please include a Scope of work (SOW) or Specifications in the absence of a quotation that will be incorporated as part of the PO to create a contract between GW and the company. If assistance is needed in drafting these documents, please contact P2P for samples.
   - Payment will be processed via an invoice sent to University Payables at invoice@gwu.edu.

If a new supplier is being used, they must register in iSupply prior to engaging in work for GW. If the supplier providing the service is an individual, first check the Worker Classification Form (WCF) Exemptions here. If the service being provided is not listed, please complete a WCF and send it to the Tax Department for review.

If the work being performed by an individual is being done outside of the United States, please complete an International Engagement Form. Guidelines for the use of this form are provided on the Tax website.

2. **P-Card Payment Process:**

- If you would like to pay for a contract via a P-Card, please submit the contract via Gatekeeper, the University's Contract Management System for review and execution in advance of the service/event commencement. Submit the contract with the appropriate supporting documentation and the information requested here. P2P will review and route the document for experts (e.g. legal and risk review etc.) if necessary. Once we have executed the agreement, you are able to use your p-card for payment. No WCF Form is needed.
- Do not pay for services from international individuals on a p-card.

For questions, please call 202-994-2500 or email p2p@gwu.edu for assistance with your purchase.

### 2.1.2 University Funds and Non-Federal Sponsored Projects $25,000 to $249,999

Purchases for services, supplies, and equipment for any item or group of similar items between $25,000 and $249,999 from GW or non-federal sponsored research funds follow the procedures as outlined below. *Purchases must not be split to avoid this threshold.*

When using non-federal sponsored project funding or GW funds and if the procurement process is handled by the requesting department, a Supplier Selection Memo (SSM) must be attached to the requisition documenting the process followed leading to the award.

If P2P is handling the solicitation, the requisition must give clear, precise directions and specifications to the Buyer. P2P is happy to facilitate the solicitation process on behalf of the requesting department.

Sole-Source or non-competitive awards are procurements through the solicitation of a proposal from only one source. If an award is to be made from a single quote or proposal at this dollar level, A Supplier Selection Memo (SSM) that substantiates the sole-source decision must be completed and provided.

The above-required information should be attached to a requisition within EAS (Oracle R12) and forwarded to P2P for further action. Once received, a buyer will contact you with a timeline for the procurement to occur.

**Supporting documentation:**

1. **Purchase Order Process:**

- A list of suggested suppliers, keeping in mind that competition is required.
- If a service is requested, please include a Scope of work (SOW) or Specifications in the absence of a quotation that will be incorporated as part of the PO to create a contract between GW and the company. If assistance is needed in drafting these documents, please contact P2P for samples.
- Payment will be processed via an invoice sent to University Payables at invoice@gwu.edu.

If a new supplier is being used, they must register in iSupply prior to engaging in work for GW. If the supplier providing the service is an individual, first check the Worker Classification Form (WCF) Exemptions here. If the service being provided is not listed, please complete a WCF and send it to the Tax Department for review.

If the work being performed by an individual is being done outside of the United States, please complete an International Engagement Form. Guidelines for the use of this form are provided on the Tax website.

## 2. P-Card Payment Process:

- If a P-Card payment method has been approved to settle a contract payment, please submit the contract via Gatekeeper, the University's Contract Management System for review and execution in advance of the service/event commencement. Submit the contract with the appropriate supporting documentation and the information requested here. P2P will review and route the document for experts (e.g., legal and risk review, etc.) if necessary. Once we have executed the agreement, the approved p-card may be used to make the payment.
- Do not pay for services from international individuals on a p-card.
- Any request to pay a transaction amount in excess of $25,000 by p-card will require approval from the AVP of Procure-to-Pay or their designee for the card single limit transaction increase.

For questions, please call 202-994-2500 or email p2p@gwu.edu for assistance with your purchase.

### 2.1.3 University Funds and Non-Federal Sponsored Projects $250,000 and Above

A purchase for services, supplies, and equipment for any item or group of similar items over $250,000 should be processed as a formal solicitation in the form of an Invitation to Bid (Bid) or Request for Proposals (RFP).

Sole-Source or non-competitive awards are procurements through the solicitation of a proposal from only one source. If an award is to be made from a single quote or proposal at this dollar level, A Supplier Selection Memo (SSM) that substantiates the sole-source decision must be completed and attached.

Sealed Bid(s)/RFP(s) shall be received until the date and time indicated in the document for the return of that Bid(s)/RFP(s). Any Bid(s)/RFP(s) received after the designated time shall neither be accepted nor considered for evaluation, recommendation and award.

Once a request for Bid/RFP is released, GW is under a "cone of silence." Individuals **should not** discuss the requirements of the solicitation or in any way offer additional information to suppliers outside of a formal addendum to the solicitation documents. If a supplier contacts a department directly, that potential supplier should be referred to the appropriate representative issuing the solicitation. No verbal or written information obtained other than by the Bid/RFP documents or by an addendum to the Bid/RFP is binding on GW.

Unless otherwise noted in the Special Conditions section of a Bid/RFP, responses received to Bids/RFPs shall not be publicly opened. Bids/RFPs will then be evaluated, tabulated, and an award recommendation made. A supplier may not proceed with filling the requirement of the Bid/RFP until a contract has been executed or a Purchase Order released to the supplier.

Procurements of goods and services over $10,000,000 will be subject to the Major Procurement Review process found here.

If a new supplier is being used, they must register in iSupply prior to engaging in work for GW. If the supplier providing the service is an individual, first check the Worker Classification Form (WCF) Exemptions here. If the service being provided is not listed, please complete a WCF and send it to the Tax Department for review.

If the work being performed by an individual is being done outside of the United States, please complete an International Engagement Form. Guidelines for the use of this form are provided on the Tax website.

**2. P-Card Payment Process:**

- If a P-Card payment method has been approved to settle a contract payment, please submit the contract via Gatekeeper, the University's Contract Management System for review and execution in advance of the service/event commencement. Submit the contract with the appropriate supporting documentation and the information requested here. P2P will review and route the document for experts (e.g. legal and risk review etc.) if necessary. Once we have executed the agreement, the approved p-card may be used to make the payment.
- Do not pay for services from international individuals on a p-card.
- Any request to pay a transaction amount in excess of $25,000 by p-card will require approval from the AVP of Procure-to-Pay or their designee for the card single limit transaction increase.

For questions, please call 202-994-2500 or email p2p@gwu.edu for assistance with your purchase.

### 2.1.4 Federal Grants and Cooperative Agreements less than $10,000

A single quote is required for purchases under $10,000; however, competition is encouraged.

Please check iBuy+ Goods and Services before engaging a new source of supply for a good or service that is currently under agreement with GW.

**Supporting documentation:**

1. **Purchase Order Process:**

    - A quote from the supplier, keeping in mind that competition is encouraged but not required.
    - If a service is requested, please include a Scope of work (SOW) or Specifications in the absence of a quotation that will be incorporated

as part of the PO to create a contract between GW and the company.  P2P for samples.
- Payment will be processed via an invoice sent to University Payables at invoice@gwu.edu.

If a new supplier is being used, they must register in iSupply prior to engaging in work for GW.  If the supplier providing the service is an individual, first check the Worker Classification Form (WCF) Exemptions here.  If the service being provided is not listed, please complete a WCF and send it to the Tax Department for review.

If the work being performed by an individual is being done outside of the United States, please complete an International Engagement Form.  Guidelines for the use of this form are provided on the Tax website.

**2.  P-Card Payment Process:**

- If a P-Card payment method has been approved to settle a contract payment, please submit the contract via Gatekeeper, the University's Contract Management System, for review and execution in advance of the service/event commencement. Submit the contract with the appropriate supporting documentation and the information requested here.  P2P will review and route the document for experts (e.g., legal and risk review, etc.) if necessary.  Once we have executed the agreement, the approved p-card may be used to make the payment.
- Do not pay for services from international individuals on a p-card.
- Any request to pay a transaction amount in excess of $25,000 by p-card will require approval from the AVP of Procure-to-Pay or their designee for the card single limit transaction increase.

For questions, please call 202-994-2500 or email p2p@gwu.edu for assistance with your purchase.

### 2.1.5  Federal Grants and Cooperative Agreements $10,000 to $249,999

Purchases for services, supplies, and equipment for any item or group of similar items between $10,000 and $249,999 from federally sponsored grants and cooperative agreements follow the procedure below. Purchases must not be split to avoid this threshold.

Three written quotes are required to demonstrate competition.  If the procurement process is handled by the requesting department, a Supplier Selection Memo must be attached to the requisition documenting the process followed leading to the award.

If Procure-to-Pay is handling the solicitation, the requisition must give clear, precise direction and specifications to the Buyer. P2P is happy to facilitate the solicitation process on behalf of the requesting department.

Sole-Source or non-competitive awards are procurements through the solicitation of a proposal from only one source. If an award is to be made from a single quote or proposal at this dollar level, A Supplier Selection Memo that substantiates the sole-source decision must be completed along with a requirements document and/or Scope of Work.

Under Uniform Guidance, non-competitive awards may be used when one or more of the following circumstances apply:

- The item is available only from a single source (this must be verifiable);
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- After solicitation of several sources, competition is determined inadequate

The above required information should be attached to a requisition within EAS (Oracle) and be forwarded it to P2P for further action. Once received, a Buyer will contact you with a timeline for the procurement to occur.

**Supporting documentation:**

1. **Purchase Order Process:**

- Written quotes from a minimum of three suppliers, keeping in mind that competition is required.
- If a service is requested, please include a Scope of work (SOW) or Specifications in the absence of a quotation that will be incorporated as part of the PO to create a contract between GW and the company. If assistance is needed in drafting these documents, please contact P2P for samples.
- Payment will be processed via an invoice sent to University Payables at invoice@gwu.edu.

If a new supplier is being used, they must register in iSupply prior to engaging in work for GW. If the supplier providing the service is an individual, first check the Worker Classification Form (WCF) Exemptions here. If the service being provided is not listed, please complete a WCF and send it to the Tax Department for review.

If the work being performed by an individual is being done outside of the United States, please complete an International Engagement Form. Guidelines for the use of this form are provided on the Tax website.

2. **P-Card Payment Process:**

- If a P-Card payment method has been approved to settle a contract payment, please submit the contract via Gatekeeper, the University's Contract Management System for review and execution in advance of the service/event commencement. Submit the contract with the appropriate supporting documentation and the information requested here. P2P will review and route the document for experts (e.g. legal and risk review etc.) if necessary. Once we have executed the agreement, the approved p-card may be used to make the payment.
- Do not pay for services from international individuals on a p-card.
- Any request to pay a transaction amount in excess of $25,000 by p-card will require approval from the AVP of Procure-to-Pay or their designee for the card single limit transaction increase.

For questions, please call 202-994-2500 or email p2p@gwu.edu for assistance with your purchase.

#### 2.1.6 Federal Grants and Cooperative Agreements $250,000 and Above

A purchase for services, supplies, and equipment for any item or group of similar items over $250,000 should be processed as a formal solicitation in the form of an Invitation to Bid (Bid) or Request for Proposals (RFP) and handled by Procurement. Public advertisement of the opportunity is required.

Under Uniform Guidance, non-competitive awards may be used when one or more of the following circumstances apply:

1. The item is available only from a single source (this must be verifiable);
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

Requests for sole source approval must be made to the Sponsor's Grants Officer and not to the Program Officer.

When publicly advertised, Sealed Bid(s)/RFP(s) shall be received until the date and time indicated in the document for the return of Bids/Proposals. Any Bid/Proposal received after the designated time shall neither be accepted nor considered for evaluation, recommendation and award.

Once a request for Bid/RFP is released, GW is under a "cone of silence." Individuals should not discuss the requirements of the solicitation or in any way offer additional information to suppliers outside of a formal addendum to the solicitation documents. If a supplier contacts a department directly, that potential supplier should be referred to the appropriate representative issuing the solicitation. No verbal or written information obtained other than by the Bid/RFP documents or by an addendum to the Bid/RFP is binding on GW.

Unless otherwise noted in the Special Conditions section of a Bid/RFP, responses received to Bids/RFPs shall not be publicly opened. Bids/RFPs will then be evaluated, tabulated, and an award recommendation made. A supplier may not proceed with filling the requirement of the Bid/RFP until a contract has been executed or a Purchase Order released to the supplier.

**Supporting documentation:**

If a new supplier is being used, they must register in iSupply prior to engaging in work for GW. If the supplier providing the service is an individual, first check the Worker Classification Form (WCF) Exemptions here. If the service being provided is not listed, please complete a WCF and send it to the Tax Department for review.

If the work being performed by an individual is being done outside of the United States, please complete an International Engagement Form. Guidelines for the use of this form are provided on the Tax website.

For questions, please call 202-994-2500 or email p2p@gwu.edu for assistance with your purchase.

If you have questions on how to proceed with your procurement, please call 202-994-2500 and ask for a procurement representative.

### 2.1.7 Federal Contracts less than $10,000

A single quote is required for purchases under $10,000; however, competition is encouraged.

Please check iBuy+ Goods and Services prior to engaging a new source of supply for a good or service that is currently under agreement with GW.

**Supporting documentation:**

1. **Purchase Order Process:**

    - A quote from the supplier, keeping in mind that competition is encouraged but not required.
    - If a service is requested, please include a Scope of work (SOW) or Specifications in the absence of a quotation that will be incorporated as part of the PO to create a contract between GW and the company. If assistance is needed in drafting these documents, please contact P2P for samples.

- Payment will be processed via an invoice sent to University Payables via invoice@gwu.edu.

If a new supplier is being used, they must register in iSupply prior to engaging in work for GW. If the supplier providing the service is an individual, first check the Worker Classification Form (WCF) Exemptions here. If the service being provided is not listed, please complete a WCF and send it to the Tax Department for review.

If the work being performed by an individual is being done outside of the United States, please complete an International Engagement Form. Guidelines for the use of this form are provided on the Tax website.

For questions, please call 202-994-2500 or email p2p@gwu.edu for assistance with your purchase.

### 2.1.7 Federal Contracts $10,000 to $249,999

Purchases for services, supplies, and equipment for any item or group of similar items between $10,000 and $249,999 from federal contracts follow the procedure below. *Purchases must not be split to avoid this threshold.*

Three written quotes are required to demonstrate competition. If the procurement process is handled by the requesting department, a Justification and Approval (J&A) Form must be attached to the requisition documenting the process followed leading to the award.

If Procurement is handling the solicitation, a requisition in the budgeted amount of the contract, along with a completed Requirements Document and a list of suggested sources (if known) should be sent to Procurement via EAS.

Sole-Source or non-competitive awards are procurements through the solicitation of a proposal from only one source.

In accordance with the FAR, Section 6.1, Contracts may be awarded under Other than Full and Open Competition when one or more of the following circumstances apply:

1. When the supplies or services required are available from only one responsible source, (6.302-1)
2. Unusual and Compelling Urgency (6.302-2)
3. Industrial Mobilization; Engineering, Developmental, or Research Capability; or Expert Services (6.302-3)
4. International Agreement (6.302-4)
5. Authorized or Required by Statute (6.302-5)
6. National Security (6.302-6)

7. Public Interest (6.302-7)

If an award is to be made from a single quote or proposal at this dollar level, A Justification and Approval Form must be completed along with a Requirements Document and/or Scope of Work.

Irrespective of the process followed, the above required information should be attached to a requisition within EAS (Oracle R12) and be forwarded it to P2P for further action. Once received, a Buyer will contact you with a timeline for the procurement to occur.

### 2.1.7 Federal Contracts $250,000 and above

A purchase for services, supplies, and equipment for any item or group of similar items over $250,000 against a Federal Contract should be processed as a formal solicitation in the form of an Invitation to Bid (Bid) or Request for Proposals (RFP). Public advertisement is required by the Federal Acquisition Regulations (FAR); as such, Procurement must handle the solicitation. In order to begin this process, a requisition in the budgeted amount of the contract, along with a completed Requirements Document and a list of suggested sources (if known) should be sent to Procurement.

Sole-Source or non-competitive awards are procurements through the solicitation of a proposal from only one source.

In accordance with the FAR, Section 6.1, Contracts may be awarded under Other than Full and Open Competition when one or more of the following circumstances apply:

1. When the supplies or services required are available from only one responsible source, (6.302-1)
2. Unusual and Compelling Urgency (6.302-2)
3. Industrial Mobilization; Engineering, Developmental, or Research Capability; or Expert Services (6.302-3)
4. International Agreement (6.302-4)
5. Authorized or Required by Statute (6.302-5)
6. National Security (6.302-6)
7. Public Interest (6.302-7)

If an award is to be made from a single quote or proposal at this dollar level, A Justification and Approval (J&A) Form must be completed along with a requirements document and/or Scope of Work.

When publicly advertised, Sealed Bid(s)/RFP(s) shall be received until the date and time indicated in the document for the return of Bids/Proposals. Any Bid/Proposal received after the designated time shall neither be accepted nor considered for evaluation, recommendation and award.
Once a request for Bid/RFP is released, GW is under a "cone of silence." Individuals should not discuss the requirements of the solicitation or in any way offer additional

information to suppliers outside of a formal addendum to the solicitation documents. If a supplier contacts a department directly, that potential supplier should be referred to the appropriate representative issuing the solicitation. No verbal or written information obtained other than by the Bid/RFP documents or by an addendum to the Bid/RFP is binding on GW.

Unless otherwise noted in the Special Conditions section of a Bid/RFP, responses received to Bids/RFPs shall not be publicly opened. Bids/RFPs will then be evaluated, tabulated, and an award recommendation made. A supplier may not proceed with filling the requirement of the Bid/RFP until a contract has been executed or a Purchase Order released to the supplier.
See Chapter 5 on Methods of Procurement for further information on Bids and RFPs and their associated procedures.

Irrespective of the process followed, the above required information should be attached to a requisition within EAS (Oracle R12) and be forwarded it to Procurement for further action. Once received, a Buyer will contact you with a timeline for the procurement to occur.

Sealed Bid(s)/RFP(s) shall be received until the date and time indicated in the document for the return of that Bid(s)/RFP(s). Any Bid(s)/RFP(s) received after the designated time shall neither be accepted nor considered for evaluation, recommendation, and award. See section 5.4 for the definition of sealed bids and section 5.5 for the definition of RFP and their associated procedures.

Once a request for Bid(s)/RFP(s) is released, GW is under a "cone of silence." Individuals should not discuss the requirements of the solicitation or in any way offer additional information to suppliers outside of a formal addendum to the solicitation documents. If a supplier contacts a department directly, that potential supplier should be referred to the appropriate representative issuing the solicitation. No verbal or written information obtained other than by the Bid/RFP documents or by an addendum to the Bid/RFP is binding on GW.

Unless otherwise noted in the Special Conditions section of a Bid/RFP, responses received to Bids/RFPs shall not be publicly opened. Bids/RFPs will then be evaluated, tabulated, and an award recommendation made.

**A supplier may not proceed with filling the requirements of the Bid/RFP until a contract has been executed or a Purchase Order released to the supplier.**

### 2.2 Purchases Exempt from Competitive Process

There are a number of purchases that are exempt from competitive source selection and may be paid through a *P*ayment Request through Concur Invoice directly or by using a P-card. POs are not required for payment but may be created upon request.

Please visit the P2P website at www.procurement.gwu.edu for the most current list of competitive exemptions.

## Chapter 3 – Requisitions

Information presented on the requisition provides the basis for Bids or RFPs sent to potential bidders or offerors supplying the needed goods or services. The requisition serves to inform the buyer of the needs of the school/department and to fully define the material or services requested. An accurate and well-planned requisition will ensure the completion of an economical and timely procurement transaction.

### 3.1 Pre-Planning

A. It is important for schools and departments to invest a sufficient amount of time in preparing their requisitions for the items or services needed. Schools/Departments must remember that their requisitions will determine what they will receive and how quickly they will receive it. Any additional information supplied to the buyer will help the purchasing process flow smoothly (e.g., suggested suppliers, manufacturer or model numbers, previous POs, brochures or literature). However, if a department has critical, complex or expensive requirements, these should be coordinated with the buyer prior to the issuance of the requisition.

B. The formal Bid or RFP process (for procurements valued over $250,000) may take 45-90 days from the time of receipt of specifications to final approval. Administrative lead time for purchasing includes preparation of the bid or proposal documents and review by the using department prior to release (mailing).

C. The rule, "*Five W's and an H*" should be used when preparing or reviewing a requisition.

- **Who:** Who needs it? Who will receive the goods or services? Who will administer the contract and ensure compliance by the supplier? Who are the recommended suppliers? Who is authorized to approve the requisition?
- **What:** What is needed (e.g., item, service, installation, training, warranty)? What are the critical features that the school/department must have? What funds will be used to pay for the item? What is the budget estimate? What are the criteria for acceptance or rejection?
- **Where:** Where must the item be delivered? Where will it be used?
- **When:** When must the item arrive or service be provided? When will the school/department personnel be at the location to receive the item?
- **Why:** Why is the item needed? Why is the delivery time important? Why are certain features important?
- **How:** How is the item to be used? How is it to be packaged for delivery?

### 3.2 Requisition Preparation

A purchase requisition is the initiating document required for the purchase of items and the engagement of service providers. Purchase requisitions transfer the authority to expend funds. This document is prepared electronically through the GW Enterprise Accounting System (EAS) financial system by authorized individuals within schools and departments. Depending on various elements and method of procurement, P2P staff will convert the purchase requisition into a PO.

**Typical components of a Requisition:**

- Description of the requirement;
- Quantity of the item(s) to be procured;
- Delivery or performance requirements;
- Any recommended special packaging and marking requirements;
- Inspection and acceptance requirements;
- Recommended sources;
- Any recommended special contract administration requirements;
- Any recommended special provisions or clauses (e.g., options, GW-furnished property, grant flow-through terms and conditions, contract template etc.);
- Any recommended price-related factors for award;
- Any recommended non-price evaluation factors for award (if any);
- Justifications and approvals for other than full and open competition (if needed);
- Acquisition plan (if required for federal funds);
- Determination that a pre-bid or pre-proposal conference is needed; and
- Independent cost estimate/acquisition plan (if required for federal funds).

For information on entering requisitions into the EAS financial system, please visit: EAS System Training and Support

Procurement will review and approve the requisition and complete the contracting process once all documentation is received. Please remember:

- Should major deficiencies or omissions be identified, the requisition shall be suspended and the school/department contacted to supply any missing information or to make the necessary corrections.
- Failure to provide the needed documentation within three business days may cause the requisition to be returned to your school/department for further processing.

# Chapter 4 – Specifications

The term "specification" refers to that portion of a solicitation that describes the characteristics of a commodity or service required by a school/department. It is used interchangeably with the terms "purchase description," "purchase specification," "purchase requirement," "commercial item description, and “scope of work."

A specification may include requirements for samples, prototypes, inspection, testing, warranty and packaging. The specification portion of a solicitation should not contain bidding instructions, contractual terms and conditions, pricing formats or similar materials.

## 4.1 Authority for Specifications

The ordering school/department has the authority and responsibility for specifications. Since the purpose of a specification is to translate a user's need into the delivery of goods or services, the development of specifications must be a cooperative effort between the ordering school/department and P2P. However, prior to the release of a specification, as part of a solicitation, the buyer must be satisfied that its inclusion will result in a fair and equitable purchase.

## 4.2 Types of Specifications

There are several types of specifications. The development, selection and use of a particular type of specification, is dependent on the situation, time, information available and needs of the user. P2P staff are available to assist with determining which type to use.

A. **Performance Specifications** (also known as functional specifications) are preferred since they communicate what a product is to do, rather than how it is to be built. Among the ingredients of a performance specification would be the following:

- A general description;
- Required characteristics to performance (minimum/maximum), including speed, storage, production capacity, usage, and ability to perform a specific function;
- Operational requirements, such as limitations on environment, water or air cooling, and electrical requirements;
- Site preparation requirements for which the contractor will be responsible, such as electricity, plumbing, or for which GW will be responsible;
- Compatibility requirements with existing equipment or programs;
- Conversion requirements for maintaining current equipment or system until switching to the new equipment or system;
- Installation requirements;
- Delivery date;
- Maintenance requirements;
- Supplies and parts requirements;
- Quantity and method of pricing;
- Training Requirements;
- Warranty; and

- Service location and response time.

B. **Design Specifications** employ dimensional and other physical requirements and concentrate on how a product is fabricated, rather than on what it should do. Design specifications are normally prepared by architects and engineers for construction or custom manufactured products. Among the ingredients of a design specification would be the following:

- Dimensions, tolerances, and specific manufacturing or construction processes;
- References to a manufacturer's brand name or model number; and
- Use of drawings and other detailed instructions to describe the product.

C. **Brand Name or Equal** – When a specification mentions a manufacturer's brand name or model number, it shall also include the words "or equal." In this regard, "or equal" is interpreted to mean "substantially equal and capable of performing the essential functions of the referenced brand name or model." Any specific features of the referenced brand that must be met shall be identified in the requisition. This will help make certain we have as many options as possible.

D. **Scope of Work for Services** – This is a written description of the contractual requirements for the materials and services contained within a Request for Proposal. The following is an outline of the types of information needed to scope out the work that is included in a requisition for purchase of professional or other services:

- General Requirements. Describe the service provider/contractor's responsibility to provide a service, a specific study, design, or report for the requesting school/department.
- Specific Requirements. Address the specific tasks, sub-tasks, parameters, and limitations that must be considered in producing the service or final project. Such factors as the following should be included:
  - Details of work environment;
  - Minimum or desired qualifications;
  - Amount of service needed;
  - Location of where service is to be performed;
  - Definition of service unit;
  - Time limitations;
  - Travel regulations or restrictions;
  - Special equipment required; and
  - Other factors affecting the working environment.
- GW Provided Materials or Services. List any plans, reports, statistics, space, personnel, or other GW-provided items that must be used by the contractor.
- Deliverables, Reports and Delivery Dates. Identify the specific delivery dates for all documentation or other products the contractor must furnish. Be clear about the expectations of GW for the contractor's performance.

### 4.3 Statement of Work

A statement of work (SOW) is a formal document that details the work, deliverables, locations, timelines, pricing, and other requirements of a contractor in performing specific work. The SOW is typically used after the RFP process, builds on the scope of work, and is used to manage the agreement once it is time to execute.

The SOW can also be used as a “task order” when placing an order against an established contract. See Appendix B for assistance with writing a SOW.

### 4.4 Specification Drafting

Schools/Departments are responsible for the first draft of specifications to be submitted to Procurement. Lengthy and complex specifications may be submitted as an attachment in EAS on the requisition. After Procurement has reviewed the specifications and written any special terms and conditions in addition to our standard terms and conditions, the school/department will be forwarded a draft for review and approval. Keep the following in mind when writing specifications:

- Be specific and detailed in presenting mandatory requirements in construction projects, goods or services, (e.g., licensing, drawings, blueprints, bonding requirements, and insurance).
- State a requirement of fact once, and avoid duplication.
- Don’t present something as mandatory if it is really optional;
- Try not to write specifications or scopes of work that restrict response to a single bidder/offeror.

## Chapter 5 – Methods of Procurement

### 5.1 iBuy+

Procurement has pre-negotiated pricing agreements with many of the suppliers GW uses on a repeat basis. Many of these suppliers are represented on GW’s online procurement platform iBuy+, for direct use by departments. For processing, most orders will be shipped within a day. However, other orders that require configuration or have longer leads will take more time. Invoices are submitted directly from the supplier to University Payables.

For further information, visit iBuy+ or contact the iBuy+ Hotline at 571-553-4477.

## 5.2 P-Card Program

For more information on the P-Card program at GW, please visit the P-Card website.

It is also important to be familiar with the P-Card policy: Procurement Card Policy.

PGAs of each department will also be able to explain relevant procedures.

The P-Card is a "corporate" credit card that can be used to make small-dollar purchases necessary to conduct GW business. The P-Card is administered by Procurement.

The P-Card is a "corporate liability" card meaning that GW pays the bill in full. The P-Card is used by authorized GW employees to purchase small-dollar items (up to $3,500) for GW use. The authorized cardholder is able to purchase directly on behalf of GW, thereby facilitating tax-exempt purchases.

## 5.3 Emergency Purchases

The Emergency Procurement Policy authorizes the approval and waiver of competitive processes when the items needed are necessary to maintain a safe operational environment, the loss of which would create a situation which would adversely and unduly affect the safety, health or comfort of buildings and their occupants or otherwise cause loss to GW.

The following are the criteria for determining whether to use Emergency Purchase Procedures:

- An equipment breakdown or act of God threatens to terminate essential services; or
- Public safety, health or welfare is threatened by a dangerous condition or immediate need for supplies, equipment or services.

The following procedures should be followed for emergency situations. During normal business hours, the department head shall notify P2P of the emergency situation and shall provide the buyer with the following:

1. The nature of the emergency;
2. The estimated cost of the service/goods required;
3. The supplier recommended to receive the order; and
4. A requisition entered and approved in EAS.

Written justification of the purchase shall be signed by the initiating dean/department head and his/her assistant dean/director. P2P will then have it approved by the CFO or designee and will process the PO.

If a purchase must be made during other than normal business hours, the initiating department head shall call the Director of Procurement or designee or the CFO or designee and request approval to proceed with the emergency purchase. The above-mentioned paperwork shall follow the approval of any such emergency purchase prior to the close of the next business day at GW.

The initiating dean/department head shall take special care in ensuring the emergency service is completed promptly and accurately. Any problems should be reported promptly to the Director of Procurement.

## 5.4 Informal Bid/Quote Solicitation Procedure

A bid/quote or proposal solicitation is the process of notifying potential qualified offerors/bidders that you have a need for a specific product or service and wish to receive bids/quotes or proposals on. Regardless of the threshold or procurement method, all bid solicitation documents should have enough details to allow potential offeror/bidder to submit an adequate response and to avoid unnecessary change orders and risk of exceeding your budget.

For bids solicitation or quotes request under the micro-purchasing threshold where only one quote is required, request may be made my calling or emailing the offeror. Documentation of the solicitation should include by not limited to the elements below if additional elements are identified and deemed necessary:

<u>Document call details to include:</u>

- Offeror name
- Agent spoke to name and contact information to include email address if possible
- Quantity, hourly rate/unit price and or price agreed to
- Delivery date
- If possible, email the offeror right after the call to document the discussion and use this email in place of quote when submitting requisition in EAS

<u>Email bids solicitation or quotes request should include:</u>

- Supplier name and representative
- General description of the goods or services being procured
- Estimated quantities of goods or services
- Hourly rate/unit price and total price
- Delivery date
- This email in place of quote when submitting requisition in EAS

<u>Quote (s) from offeror(s) emailed or faxed should:</u>

- Be on company letterhead if possible
- Contain company contact information – name, address, point of contact and phone number…
- Have general description of the goods or services being procured
- Have estimated quantities of goods or services
- Have hourly rate/unit price and total price
- Delivery date and or any other specifications

For bids solicitation or quotes request exceeding the micro-purchasing threshold where competition and written quotes are required but not a formal RFP/Bid response, request may be made by email, snapshot of pricing from potential vendors' website or official quotes submitted by the vendors on their letterhead. Documentation of the solicitation should include by not limited to the elements below if additional beneficial elements are identified and necessary:

<u>Requirements/Solicitation Document</u>

- Requirements document or scope of work with enough in scope/detail to allow offerors to identify the general nature of the goods or services to be procured,
- How the goods and/or services will be used
- Eligibility requirements of offerors
- Offeror's years of experience,
- Offeror's past performance
- Facilities, reputation, financial resources, and other factors necessary to fulfill the terms of the contract successfully.
- Estimated quantities of goods or services
- Inclusion of GW's standard terms and conditions. Contact P2P for RFP/RFQ template if needed
- Performance period or duration of the contract if applicable
- Deliverables details or terms
- Delivery terms such as time or days of delivery, unloading and shelving services, distribution of materials, location(s) of delivery, etc.
- Place of performance or delivery
- Delivery date
- Inspection and acceptance

Procedural issues to be considered

- How and who to contact at the school/department for questions and clarification
- Clarification procedures that the school/department will use to explain the solicitation and respond to questions,
- The date and time by which the bid or proposal is due (same proposal due date should be granted to all bidders)
- Allowable methods for offerors to submit a response (i.e., by mail, hand delivery, or electronic mail…)
- Pre-bid meeting and conference information, including a notice when attendance is mandatory, if applicable
- Required forms and certifications that must be completed and submitted with the bid or proposal (i.e. Bond and permit…)
- An explanation of how the department will proceed if a contract cannot be executed with the apparent successful offeror,
- Cancellation, withdrawal, and reissuance procedures that the department will use when the solicitation is withdrawn for cause or convenience, protest procedures that are available to offerors to resolve disputes
- Details of what method and criteria will be used for evaluating responses and may include factors and weighting information – See evaluation criteria table below.

**Example of RFP weighted criteria matrix:**
Criteria should be weighted carefully to assure that they are properly weighted in accordance with the importance of each criterion and tight to the need objectives.

| | **Criteria** | **Weight** |
|---|---|---|
| 1 | Organization’s qualifications and experience | 30% |
| 2 | Approach/Philosophy | 15% |
| 3 | Qualifications of Staff | 15% |
| 4 | References/Depth of Client Base | 20% |
| 5 | Pricing | 20% |
| | **Total** | **100%** |

### 5.5 Competitive Sealed Bidding - Invitations to Bid

A competitive sealed bid is a method of source selection in which an award is made to the most responsive and responsible bidder whose bid complies with the specifications contained in the solicitation. The competitive sealed bid process includes the following elements:

- Issuance of a written invitation to bid;
- Required receipt by GW at the date and time advertised;
- Evaluation of bids based upon the requirements set forth in the Bid; and
- Award to the lowest-cost responsive and responsible bidder meeting all the terms and specifications specified in the solicitation.

**Responsibilities**

| Department | Procure-to-Pay |
|---|---|
| • Submitting a funded purchase requisition with an attached set of specifications describing the catalog description, design or performance characteristics of the goods or services required.<br>• Reviewing the bids received by Procurement to be certain that the offered products or services meet the specifications of the bid.<br>• Documenting reasons, based on the specifications, why a bidder should not be considered for an award, if necessary; and<br>• Recommending award to the most responsive and responsible bidder meeting the specifications. | • Preparing bid solicitation documents based on the requisition and specifications submitted by the school/department.<br>• Ensuring the process is open, equitable and fair to all potential suppliers.<br>• Issuing and posting notification of the sealed bid requirement.<br>• Receiving and securing bids prior to bid opening in a secure facility.<br>• Opening bids at the date and time given in the bid.<br>• Tabulating and analyzing the bids to determine the apparent lowest responsive and responsible bidder.<br>• Providing copies of the apparent lowest responsive and responsible bid and the results of the analysis to the requisitioning school/department for review. |

**A Note on Processing Times**

1. A school/department should take no more than *five* working days to review a draft bid document or the results of a sealed bid and return its recommendations to Procurement.
2. Procurement should take no more than *five* working days to review and notify department of bid results. However, for Federal awards, time must be given to allow for public notice prior to formal award.
3. All those involved need to be notified of the delay whenever a review is expected to require additional time and analysis.

## 5.6 Non-Responsive, Non-Responsible and Debarred Suppliers

The GW has a policy not to do business with companies that have been debarred from working with the Federal government. For instructions on how to access the list, visit the SAM.gov website.

It is also important to understand the reasons why a bid might be declared non-responsive or non-responsible.

| **Determination of Non-Responsiveness Reasons:** | **Determination of Non-Responsibility Reasons:** |
|---|---|
| • They substitute their standard terms and conditions for those included in the solicitation document;<br>• Qualify their offers in such a manner as to nullify or limit their liability to GW;<br>• Offer an all-or-none proposal;<br>• Fail to conform with the required delivery schedules as set forth in the solicitation or the permissible alternatives;<br>• Qualify their prices in such a manner that the proposal prices cannot be determined;<br>• Make the proposal contingent upon the receipt of other awards currently under consideration;<br>• Fail to provide the required bonds; or<br>• Present any substantive difference between the RFP and the proposal's terms and conditions, or inconsistencies and errors in quantitative or other reasoning. | • The bidder is not a regular dealer or supplier of the goods and services offered;<br>• The bidder does not have the ability to comply with the required delivery or performance schedule;<br>• The bidder does not have a satisfactory record performance as documented prior to the receipt of bids by the requesting department, the division or other jurisdictions;<br>• The bidder is debarred by GW or the federal government. The bidder may be considered non-responsible if they do not have a satisfactory record of integrity or if they are debarred or suspended by another governmental jurisdiction; and<br>• The bidder does not have the necessary facilities, organization, experience, technical skills or financial resources to fulfill the terms of the PO or contract. |

**Confidentiality:** School/Department staff shall not discuss bids with competing suppliers nor shall they discuss with any supplier the recommended award or the reasons for awarding or not awarding to any bidder. During the solicitation period, all supplier questions should be collected and responded to in writing through an addendum. Following award, debriefing of suppliers is allowed, but discussions should be focused on their bid and why it was unsuccessful, vs. the other bids received.

### 5.7 Request for Proposals and Competitive Negotiations

Request for Proposals (RFPs) are normally used when the item or service required cannot be easily specified or is of a qualitative nature. RFPs are used to solicit proposals for services or other complex requirements where price is not the sole factor in determining award.

#### RFP Process Summary

When an RFP will be issued, the first action should be to establish the evaluation committee to verify that the scope information represents the work to be done and to validate that the evaluation criteria is appropriate and represents the accurate weighting for each criterion.

When Procurement issues the RFP documents, the following is the process that will be followed to ensure the best possible outcomes.

1. A purchase requisition should be prepared by the department and include the following:
   - The scope of work for the project. This should include the following elements, as a minimum, and should be submitted in EAS as a Word document:
     - Background of the requirement;
     - Objectives of the RFP;
     - The expected schedule; and
     - Expected deliverables.
   - The recommended evaluation criteria for the RFP, names and location of the evaluation committee and a list of prospective offerors to be contacted.
2. Procurement will prepare a draft RFP and submit it to the department for review. After all changes are made to the draft, it will be released to prospective offerors.
3. Procurement will receive and secure all proposals until the date and time announced for the closing. At that time, the proposals will be opened, recorded and reviewed to be certain the administrative requirements of the RFP have been met.

4. Procurement will forward copies of the proposals and RFP to evaluation committee members and the department contact. These will be accompanied by an instruction memorandum, and any other pertinent information.
5. Committee members will independently read and evaluate the proposals prior to the committee's first meeting. The evaluation must be done in accordance with the criteria contained in the RFP. Committee members must treat the information in proposals as confidential during the evaluation process. The ratings for individual criteria as well as the overall rating will be consensus ratings.
6. The Procurement representative shall facilitate and assist the committee. The Procurement representative will arrange interviews and clarifications, if necessary.
7. The committee will submit a recommendation for award to Procurement. A copy of the committee rankings will be kept in the RFP file. The committee's recommendation must contain the following:
    - Name and location of the offerors considered;
    - A ranking of the proposals submitted;
    - The criteria used for evaluation;
    - The consensus and recommendation for award of the committee; and
    - If applicable, recommendations for any provisions or prices which are to be negotiated with the recommended offeror.
8. The committee shall not consider its recommendation as authorization to notify any offeror of the status of the evaluation.
9. The committee chair will provide a written recommendation to the dean/department head supporting its review and recommendation. If management approves the committee's recommendation, the procurement action will continue through the normal procurement and contract approval process. If management rejects the committee's recommendation, and selects a different vendor, then management will notify the committee chair of this action along with the reasons and justifications. Management may reject all of the vendors and ask that the procurement process be re-opened and the committee will be reconvened to review the new bids and quotations.
10. Once management approves the selection, Procurement, in cooperation with the department, will conduct negotiations with the highest ranked offeror. If agreement cannot be reached, negotiations may begin with the next highest ranked proposer or subsequent proposers until an agreement is reached or all proposals are rejected. The department will be asked to review the draft contract document before the buyer and the contractor execute it.
11. Procurement will notify all offerors of the selection and debrief any offerors requesting a debriefing.
12. If the RFP is for a professional service that does not allow cost to be a factor in evaluating, the committee will provide Procurement with a short list of offerors in the order in which they are ranked. Procurement will seek price proposals and negotiate a contract in coordination with the department.

**Please read Appendix A – Evaluation Committee Formation and Procedures for details on the process and services provided.**

## 5.8 Responsibilities for Procurements on Sponsored Projects

This section assigns accountability for both federal and non-federal sponsored projects procurements to:

(1) **The Sponsored Project Administrator (SPA) from the Office of Sponsored Projects (OSP).** The SPA is responsible for the review and approval of proposed procurements that includes determining that the proposed procurement is reasonable, allowable, allocable, and appropriate for the purpose of the sponsored projects.

(2) **The Director, Sponsored Projects.** The Director serves as a general resource to Procurement in interpreting federal regulations related to sponsored projects and to PIs in complying with required procurement processes. The Director is responsible for educating PIs with respect to the regulations and requirements for procurements on sponsored projects.

(3) **Procurement.** As indicated above, Procurement is responsible for final approval of procurements and the initiation of purchases. Procurement is not responsible for identification and/or final approval of sub-awards, but simply processes the transactions when provided the required documentation.

(4) **The Principal Investigator (PI).** The PI is responsible for:

- Identifying procurement transactions and forwarding requisitions through the department administrative staff to the SPA.
- Coordinating with the department administrative staff, SPA and Procure-to-Pay on federally sponsored projects to conduct procurement transactions that are $10,000 or greater to provide open and free competition to three or more responsible sources.
- Ensuring that no sponsored research funds are expended or committed prior to appropriate reviews.
- Providing clear and detailed justifications when requesting a named source.
- Providing any additional documentation that may be required by the sponsor or internal policies and procedures.

Please see Appendix C for definitions of terms related to federally-funded sponsored research grants.

### Sub-Awards

Fully executed sub-awards for all dollar levels should be forwarded to P2P in the form of a Notice of Grant Award (NOGA) requisition to reserve the funding as *a NOGA* and not as a PO. In the case of uncertainty as to whether the resulting contractual document is a contract or sub–award, please consult your OSP SPA or P2P for guidance. Sub-awards that conduct collaborative research and development under grants and cooperative agreements are not subject to the procurement documentation criteria and procedures. Agreements that contract for commercially available goods and/or services are not sub-awards.

# Chapter 6 – Contracts and Leases

## 6.1 Contracts

A contract is a written agreement for the purchase or disposal of supplies, services, insurance, equipment or construction. To be effective, a contract must include an offer and acceptance by competent parties to furnish goods and/or services for an agreed monetary consideration.

| Contract Types | Procurement Facilitates access to Three Types of Contracts |
|---|---|
| 1. **Blanket Agreements**. These contracts establish the commitment of a supplier to furnish the purchaser's requirements for items or services on an as-required basis.<br>2. **Term Contracts**. These contracts establish a source of supply for goods or services during a specified period of time. Often these have a discount off list price structure but have a firm start and end date.<br>3. **Requirements Contracts**. These are agreements in which the supplier agrees to supply all of the purchaser's normal requirements for an item(s) at a specified price during a specified period. Quantity and delivery dates are unknown at award. | 1. **Enterprise Contracts**. Established by Procurement, these contracts are specifically intended either for enterprise-wide purposes or for a specific department. Example: Filtered Water, Office Supplies etc.<br>2. **Governmental Contracts and Other GW Contracts**. These contracts are entered into by other higher-ed institutions and/or governmental entities. These agreements have a "piggyback" clause acknowledged by the contractor that may be used by other non-profit entities and institutions of higher education such as GW..<br>3. **Cooperative Purchase Contracts**. These are contracts where two or more named entities combine their requirements in order to realize a volume cost advantage. GW may use these contracts even if not specifically named in the original cooperative purchase. |

### 6.1.1 Use of Enterprise Contracts

Whenever P2P has executed a contract for a particular commodity or service, departments are encouraged to order from that contract. Contracts established for enterprise-wide use can be found on the P2P website at ***Enterprise-wide Agreements*** and through ***iBuy+***.

**Contracts should be processed in accordance with the Contract Process Guide.**

For further questions on contracts and delegation, please contact P2P or the Office of the General Counsel.

### 6.1.2 Execution of Contracts/Agreements

Only individuals that have received a specific delegation of authority are authorized to sign contracts that bind GW for the purchase of goods, services, insurance, or construction. Please see the Signing of Contracts and Agreements Policy for further information, or visit the Procurement website for the Signature Authority Table.

## 6.2 Leases

There are two types of leases that GW will enter into for the purchase or use of equipment or services: capital and operational. With a Capital lease, at the end of the term of the lease, GW owns the item. With an operational lease, GW is paying for the use of the item, but as with a leased vehicle, after the term of the lease ends, the item is returned to the leasing company and GW is free to either lease another item or purchase the same item for its fair market value, or pre-determined price as established in the lease.

6.2.1 **Lease-Purchase Decision**- A lease-purchase decision is based on the results of a cost-benefits analysis of the costs to own, costs to lease, and the advantages and disadvantages of any other relevant factors.[1]

Factors to be Considered: A cost-benefit analysis can take several forms, however consideration of the total costs associated with the life cycle of the equipment, to include asset management and disposal should be made prior to moving forward with a purchase. These factors include:

- Length of time the item will be used
- Total of rental payments for the period of time to be used
- Outright purchase price of item
- Transportation and installation price of item
- Maintenance and service costs
- Funds availability and cost of capital
- Obsolescence due to rapid advancement of technology

[1] Institute for Supply Management, 2000.

Additional considerations, depending on the cost, complexity, and period of use, could include:

- Alternate purchase options
- Use by others after the initial purpose has ended
- Continued maintenance by in-house staff if purchased vs. leased

## 6.3 Contract Management

The P2P Department manages the purchase of the commercial goods and services the GW community needs. For most acquisitions, the University's purchasing terms and conditions serve as the governing contract. A GW contract template is available when a purchase order does not meet the needs of the school/division.

Contract documents from an outside party/vendor seeking a business relationship with GW must be submitted to P2P via a purchasing requisition with the product quote, statement of work, and supporting documents. For contracts with no cost/payment involved or that are approved to be paid with a Pcard (University credit card), for example, master service agreements and non-disclosure agreements (NDAs)), departments must submit them to P2P via the Gatekeeper Contract Management system.

Gatekeeper is the contract management system the University uses to manage all third-party contracts or legal documents from a vendor related to purchasing commercial goods and services. It is the system of record for review, processing, execution, and timely notification of contract expiration and renewals.

Gatekeeper is available to GW faculty and staff involved in routing contracts/legal documents for review and amendment for their department.

### 6.3.1 P2P Contracts Review Process

P2P Contracts Management Team reviews and handles all third-party agreements routed through P2P on purchasing requisitions or via Gatekeeper with GW expert reviewer offices such as OGC and Risk Management Office, as well as the facilitation of all communications and feedback between the vendor and the requesting department. Once a contract is reviewed and approved by the expert reviewers, the assigned P2P buyer documents the reviewers' approvals, signs for the University, obtains the contractor's signature, and attaches the fully executed contract copy to the purchase order's header in EAS, uploads it into Gatekeeper, and releases the purchase order. The assigned buyer then emails the fully executed contract and a copy of the purchase order to the vendor and the requisitioner (GW requesting department) or just the fully executed contract to the vendor and end-user via Gatekeeper if payment is to be made by PCard.

Requesting department is responsible for monitoring the contractor's performance and notifying P2P of any performance issues. In addition, requesting department is responsible for informing P2P of any need for contract modification, renewal, or termination by submitting a requisition in EAS with the request.

# Chapter 7 – Supplier and Contract Performance

## 7.1 Importance of Supplier Performance

Among the important reasons for maintaining properly documented supplier performance are the following:

- To use when considering debarment or suspension of suppliers;
- To use in making decisions on tie Bids;
- To use as evidence in court cases;
- To justify a claim for liquidated damages;
- To justify a declaration of supplier default;
- To justify GW seeking delivery from another source and charging the difference to the defaulting supplier;
- To use as justification for withholding payment until performance is completed; and
- To use in processing warranty claims.

It is critical to manage the performance of all suppliers. P2P will not seek to disqualify any supplier without a properly documented performance file.
Payment may not be withheld unreasonably from a supplier if services/goods have been delivered and invoiced, unless there is demand in writing for the supplier to correct an unsatisfactory situation with a definite "date certain" for performance.

Assuring proper performance by suppliers requires cooperation and communication between GW schools/departments and Procure-to-Pay. Timely action on the part of the school/department and Procurement is a prerequisite for enforcing the terms of purchase orders and contracts.

## 7.2 Non-Compliance

Failure by suppliers to deliver on time, in the proper quantities, or to meet other contractual agreements or performance milestones are serious discrepancies that must be handled in a prompt, uniform and fair manner.

When a noncompliant circumstance becomes apparent, the school/department should promptly contact the supplier to request rectification of the situation. A complete record should be made of the contact to include the name, title and telephone number of the person contacted and any promises made by that person.

If the supplier continues to be noncompliant after the initial contact, notification of noncompliance should be forwarded to Procurement with complete background information.

P2P will provide the supplier with a written notice to "cure" the situation. If the supplier fails to comply with the terms of the contract or order after this notice, P2P will cancel the agreement, order from another source, and seek to recover the difference in price, if any, from the noncompliant supplier.

P2P will document the supplier record to provide a complete history of the supplier's performance.

# Chapter 8 – Cooperative/Group Purchasing Organization Purchases

Cooperatives and Group Purchasing Organizations (GPOs) are contracts where two or more named entities combine their requirements in order to realize a volume cost advantage. GW may use these contracts even if they are not named in the cooperative purchase.

## 8.1 Basis for Using Cooperative Programs

This form of procurement has the benefits of reducing administrative costs, eliminating duplication of effort, lowering prices, sharing information, and taking advantage of expertise and information that may be available in only one of the participating agencies.

Cooperative/GPO purchasing transactions must be legitimate and enforceable. There must be mutuality between buyers and sellers and a commitment on the part of participants in the Cooperative/GPO purchasing process to purchase from the successful supplier.

## 8.2 Types of Cooperative/GPO Purchasing

The following are the three types of Cooperative/GPO purchasing that may be used by GW:

1. *Two or more entities combine their requirements into a single request for bids*. One of the participants serves as lead jurisdiction and performs the administrative details of preparing and issuing bid documents, analyzing bids and recommending award of a contract. The other participating jurisdictions *commit* to using the resulting contract for their requirements to be purchased. This section shall include all contracts established by Omnia Partners, E&I, HGAC-Buy, Premier, Vizient, as well as other cooperatives established for use by non-profits.
2. *"Riding" or "piggybacking" another entity's contract*. The supplier must agree to offer the commodities to the "riding" jurisdiction at the same terms and conditions as were offered to the contracting entity.
3. *Federal Contracts*. Contracts established by the General Services Administration on behalf of the federal government. The terms and conditions are then granted to GW by the sponsor’s contracting officer for use by GW on the contract.

## 8.3 Procedures

If a school/department becomes aware of a contract held by another entity that may be of benefit to GW, the department should submit a purchase requisition for the items required. The requisition should contain a notice to P2P explaining the existence of the contract with as much information as is available to assist P2P in locating the information needed to make the determination required by University Policy. P2P will then contact the supplier to secure an agreement to allow GW to use the contract.

From time to time, P2P may request estimated quantities of commodities to be used by departments in cooperative bid processes initiated by P2P or other entities.

## Appendix A – Evaluation Committee Formation and Procedures

The following outlines all the details needed to form and work through the committee procurement process.

### Functions of the Committee

1. Determine and Apply Evaluation Criteria
2. Evaluate Proposals Individually and/or Discuss
3. Rank and/or Develop a Shortlist
4. Interview/Obtain Clarifications
5. Recommend Award

### Where does the committee begin?

The evaluation committee first reviews all of the relevant information (e.g., scope of work, purchase description/specifications) and develops weighted evaluation criteria that will establish the standards by which to measure how well an offeror's approach meets the needs of the requesting department or the RFPs performance requirements.

The establishment of these criteria is critical, since only those standards listed in the RFP can be considered in the evaluation of competing offers.

The second major task of the committee is to agree upon a scoring method to rate or rank the offers. Once a scoring system has been devised, it must be impartially applied to each proposal.

### What are the next steps?

Clarify each member's role on the committee and establish a work plan and schedule that includes clear milestone dates. The committee must review the solicitation documents (Request for Bids or Request for Proposals) and then review procedures to be used during the process. At the request of the school/department needing the goods/services, the P2P representative may serve as the committee chair. Committee members should work out an acceptable workload arrangement with their supervisor in order to allow time for committee activities. Management must be supportive of all the arrangements so that committee members can adequately fulfill their evaluation duties.

### What does the committee chair have to do?

The chair of the evaluation committee (i.e., P2P representative or school/department representative) is charged with the responsibility of assuring that the committee's actions are in accordance with all GW policies and applicable guidelines. The chair establishes a timetable for evaluation activities and assumes the responsibility for keeping activities on schedule. If necessary, intervention by management to assist in enforcing the completion of scheduled events can be solicited. The chair is responsible for scheduling and coordinating the activities of the evaluation committee; however, these efforts can be negated if the committee members are not cooperative and do not make the required time commitment to committee activities. Participation on an evaluation committee is a priority effort.

The chair also arranges the time, date, and place for any oral sessions that the committee feels are necessary and notifies the offerors. The offerors are individually scheduled to appear before the committee; and all other offerors are normally barred from attendance unless prohibited by law. It is customary for the committee to ask a certain set of questions that apply to all the offerors invited to oral sessions in addition to specific questions that are directed to specific offerors.

**Other Key Roles**

| P2P Department | School/Departmental Representative and Other Technical Party's Roles |
|---|---|
| • Serve as Committee Chair when requested (Administrative);<br>• Votes, if voting member;<br>• Ensures integrity of procurement system;<br>• Ensures compliance with RFP requirements;<br>• Schedules Committee meetings;<br>• Schedules supplier interviews;<br>• Keeps minutes and files;<br>• Corresponds with RFP respondents; and<br>• Negotiates financial issues. | • Serve as Committee Chair when requested (Administrative);<br>• Votes, if voting member;<br>• Develop scope of work and technical requirements;<br>• Develop budget estimates;<br>• Develop technical questions for orals;<br>• Negotiate technical RFP aspects; and<br>• Provide overall technical input. |

## What is the Evaluation Committee Code of Conduct?

- Committee membership obligates the individual to both a commitment of judgment as well as time. Participants serving on a committee evaluating proposals are morally bound to be as objective and fair as possible, since these decisions impact the expenditure of university funds and the business livelihood of the offerors in the private sector. Members should also be prepared to make a priority commitment of time, since a timely turnaround on award recommendation is important.
- Committee members should exhibit a competent, non-authoritarian attitude in representing GW's position on any particular procurement. There should be a strong resolution as to the needs and interests of GW from the very beginning of the procurement. Members should be reasonable, open-minded, and willing to entertain and consider suggestions and compromises that could ultimately result in a better contract for GW. Internal committee deliberations over the merits of proposals should be constructive discussions. Members have the right to voice their opinions to either make or refute a point.
- Evaluation committee members are expected to conduct themselves in a professional manner at all times when dealing with prospective offerors, actual offerors, or the general public. The opportunities for outside interaction can present themselves a number of times. Pre-solicitation conferences, proposal openings and oral presentations are typical examples of outside interaction.
- Inherent in committee membership is a trust that all proceedings be held in confidence until final contract award is a matter of record. The only information a committee member is obligated to divulge to an outside party is a reconfirmation of the contents of the evaluation committee selection report. This document is the official statement of the deliberations and decision-making process within any committee. In practice, all outside questions relating to any area of the procurement process should be referred to the committee chair.

- Individual committee members are responsible for defending their own vote. A voting committee member is charged with recommending the award of a contract to the offeror who gives the best proposal response to GW's RFP.

### What is the optimal composition of the committee and what are their crucial tasks?

The evaluation committee is often comprised of GW staff; however, other knowledgeable people may be on the committee. The committee should include both technical and administrative personnel and, if appropriate, should include user department staff and persons from other departments. The committee may include individuals outside GW who bring a special expertise to the process. Members of the evaluation committee or their immediate family shall not have any financial interest in or any personal relationship with any of the offerors.

**If requested, Procurement will help coordinate the selection of committee members and assign tasks.**

Upon formation of the evaluation committee, the chair will convene a meeting to provide instruction and direction on the process, role, responsibilities and requirements of the committee/team. Typically, the chair and the end-user determine the composition of the committee. To ensure integrity in the process as well as fair and open competition, the committee members will be instructed to retain all evaluation documents; including worksheets, evaluation forms, and notes during the evaluation. These will be returned to the chair for future reference and referral. Committee members will also be instructed to individually and independently evaluate, score and rank proposals by applying the same objective criteria and to refrain from discussion with any other member during the evaluation process until which time the committee meets as a whole to discuss their individual ratings and rankings.

Committee members are encouraged to take as many notes as they feel necessary when reading through proposals. Not only does it help them to mentally organize the information, but also aids in any recap required to come up with final scoring. In addition, the notes become a quick reference tool to an individual when the committee meets as a group to discuss each proposal.

<u>If requested, Procurement will help coordinate the selection of the committee members and assign tasks.</u>

### What is the best way to establish the evaluation plan?

The first step in developing the evaluation plan is to identify parameters to be used in the solicitation method. These parameters will measure the most important aspects of the offerors proposals. Weighted rating factors are then assigned to the parameters which become the evaluation criteria and must reflect the relative importance of each factor in the overall evaluation. By reviewing the proposed weighting at this stage, Procurement can help the end-user ensure that the most significant factors drive the choice of the recommended offeror. Again, the relative weighting of each component will differ for each RFP issuance. Finally, the plan must indicate which offeror selection method will be used.

To establish the evaluation plan, considerable collaboration with and input from the end-user must be secured. Consensus among all interested parties as to the manner in which proposals will be evaluated, as well as the process and methods used must be achieved prior to the commencement of the solicitation.

The purpose of the evaluation process is to identify the most responsive proposal and to ensure sufficient accurate information is included to make a sound decision. A well-defined and thorough RFP will result in a solicitation with multiple responses. The inclusion of the evaluation method and criteria within the RFP is vital to achieving proposals that will meet the objective of the solicitation.

### What is the best way to establish the evaluation criterion?

RFP award decisions are based on the proposal affording the best value - in other words, not only on the price but also on technical quality and other factors of the proposal. Therefore, fair evaluations based on clearly defined evaluation criteria are very important. These criteria, including price and non-price factors, weights and values by category, minimum upset score by category, where appropriate, and the evaluation matrix, should appear in the RFP document. *At a minimum, the order of importance of the criteria should be stated.*

Evaluation criteria are designed to determine which competing proposal represents the best value or the optimum balance between price and quality. Consider having a combination of minimum mandatory criteria as well as rated criteria. Evaluation criteria should relate directly to:

- The proposer's understanding of the requirement;
- Experience of the offeror in providing services of similar size and scope;
- Professional qualifications and experience of the resources being proposed; and
- The proposed approach, work plan or solution.

P2P staff can provide guidance on the most appropriate way to factor in price for your specific requirement. <u>Always</u> do a sensitivity analysis to ensure that the most relevant or important criteria drive the decision.

### Steps in the Evaluation Process

While the evaluation process is slightly different for every RFP, a strong similarity can be anticipated. Typically, there are five steps in the process:

a) Review for inclusion of mandatory requirements;
b) Discussions for clarification;
c) Preliminary evaluation;
d) Tentative cost evaluation; and
e) Discussion with responsible offerors for best and final offers.

There are a number of important responsibilities for Procurement and the school/departmental employees to take note of. First is the review of proposals for completeness – or "determination of responsiveness."

When GW solicits proposals through the RFP process, any and all contractual terms and provisions may be subject to negotiation. Accordingly, GW is permitted greater latitude in considering proposals that fail to conform to the requirements of the solicitation or which qualify their response or suggest alternatives to GW's stated requirements. It is the soliciting department's responsibility to review all timely proposals to determine their responsiveness.

GW must determine whether or not the omission of any requirement of the solicitation document or modification thereof is material. Such a determination cannot be made without considering the possibility of waiving these deviations as possible minor technicalities. This interpretation is based on the professional judgment of the procurement official in conjunction with the end user and legal department.

To review when proposals will typically be deemed to be non-responsive see section 5.5 in this manual. Examples of minor irregularities and informalities include but are not limited to the failure of an offeror to:

- ☑ Provide information concerning the number of its employees;
- ☑ Return the number of copied, signed offers required by the solicitation;
- ☑ Furnish affidavits concerning parent company and affiliates;
- ☑ Failure to provide required insurance documents;
- ☑ Failure to provide requested samples; and
- ☑ Failure to return the proposal addendum or amendment, if on the face of the offeror's submittal, it is apparent to procurement that the offeror was aware of the addendum and their proposal was submitted in accordance therewith.

GW or the offeror may initiate clarifications to eliminate minor irregularities or apparent clerical mistakes. However, it is GW's responsibility to verify any variances between the offeror's proposal and the RFP.

GW has the right to reject proposals that cannot be made responsive.  Although GW has greater flexibility in the case of RFPs than in the case of Bids, certain mandatory requirements may be essential to the performance of the contract. This includes insurance requirements, license requirements and certain types of certifications. The determination of responsiveness must consider whether the offeror is capable of meeting these requirements in an acceptable time frame prior to any contract award.

Following the determination of responsiveness, all proposals received should be screened for compliance with mandatory requirements. Any discrepancies will be noted, along with proposals that are non-conforming, once the initial review is completed.

If the offeror provides sufficient evidence within their response submission that it intends to comply with all mandatory terms and conditions prior to the award of the contract, the evaluation committee may waive the non-compliance as a minor irregularity. It is highly unusual for a proposal not to comply with mandatory requirements. An offeror who fails to meet a mandatory submittal requirement is usually eliminated from further consideration with regard to the RFP. The decision to eliminate a proposal submission must be thoroughly documented to justify the committee's decision.

**Mandatory requirements must be clearly stated in the RFP.** These requirements may be administrative, such as "*Proposals are due by April 3 and must be received no later than 3:00 pm, at the specified location*." These requirements may be technical in nature, identifying a critical feature or functional capability. For RFPs with mandatory requirements, the evaluation process will be a two-step process. The committee first examines each offer's stated ability to satisfy the mandatory requirements. Offers unable to meet these standards are eliminated from further consideration. Once compliance is determined, the committee members assign a score to each proposal based on the evaluation criteria defined in the RFP.

A mandatory condition is a requirement that must be met without alteration. One example is the submission of the proposal by a specified time. If it is late, it is usually returned to the supplier unopened. Another example is a requirement that the offeror must provide 24-hour emergency service. To ensure that offerors do not miss mandatory requirements scattered throughout the RFP, all of the mandatory requirements should be identified in one section of the RFP. Many evaluators can be uncomfortable eliminating an offeror from further consideration for failure to satisfy a mandatory condition, especially when the contract specialist deems the requirement to be only "highly desirable." <u>It is incumbent upon Procurement to ensure that mandatory requirements are precisely defined and must be essential elements for the success of the project.</u>

The process of proposal rejection is awkward and sometimes embarrassing when the mandatory requirements are unclear and could be interpreted in several ways. In order to compensate for error, all proposals may be declared to be responsive, examine the actual requirement more closely, and seek clarification from the offerors. Committee members should evaluate each proposal on its merits. Failing to deal properly with mandatory requirements may lead to litigation.

### Proposals sent to the Evaluation Committee

Following the review for responsiveness, proposals will be distributed to the evaluation committee. Generally each committee member will review a proposal in its entirety. Occasionally, a subject matter expert will do a special review of a particular section. Scores received from these individuals are incorporated into the final scoring matrix.

- Each member of the evaluation committee must receive a complete copy of each proposal, a copy of the original RFP including all addenda, and an evaluation committee scoring sheet for each proposal. This information will be distributed promptly in order to provide each committee member adequate time to review and evaluate each proposal. Each committee member should have a preliminary score entered for each proposal prior to the first committee evaluation meeting.
- Proposals shall ONLY be evaluated by using the criteria listed in the EVALUATION CRITERIA section of the RFP. Initial evaluation must be based solely upon the proposal submitted; no other or additional information is to be used.
- Any evaluation committee meeting discussion must be either taped or summary minutes recorded for the Procurement files. If an oral presentation from proposers is part of the meeting, then that meeting must be taped OR minutes recorded.
- The evaluation committee should begin work by establishing procedure, with a general discussion of their tasks, and review of the proposals received. The committee member(s) assigned to review references should make a report to the committee. On highly technical matters, a technical review sub-committee should make a report to the full committee. After discussion and reports, each member will review their scoring sheets and pass them to the committee chair for tabulation. It is best practice for the committee to come to a consensus based on the evaluation criteria and discussion of the committee.
- Oral presentations by proposers should be for clarification purposes only. Committee members shall not communicate with proposers outside of presentations. The committee may not receive or consider any material, additions, or changes to the proposal submitted. If oral presentation option is offered to all proposers, the presentations shall occur before individual scoring sheets are submitted to the committee chair. If oral presentations are available

only to the finalists, then new evaluation scoring sheets will be distributed to the committee prior to presentations. Each committee member will re-evaluate each of the finalists on both the oral presentation and the proposal submitted using the same process of tabulation as noted above.

- Once the finalists have been rated, the committee should review the process and reach a consensus on the ratings and on a recommendation for award to the first ranked proposer(s).
- GW shall reserve the right to further negotiate any terms or conditions, including price, with the highest rated proposer. If an agreement cannot be reached with the highest rated proposer, GW reserves the right to negotiate and recommend award to the next highest rated proposer or subsequent proposers until an agreement is reached.
- The committee chair shall be responsible for the following: All of the individual scoring sheets collected, minutes and/or tapes, and tabulations. All RFP information including the evaluation committee scoring sheets, tabulations, minutes, and tapes shall become public record upon recommendation for award or ten (10) days after proposal opening, whichever occurs first. Any proposer may review the scoring as presented. It is very important to enter comments on the scoring sheets, particularly when giving a low score, so that committee members can recall scoring rationale if it is required at a later date.

During the evaluation process, if additional information or clarification is required, it should be directed to the Procurement representative, who will see the response and distribute the related information to all committee members. Committee members will also be instructed not to make contact with any of the offerors or proponents, but rather, direct inquiries to the procurement representative. Similarly, if a site visit, demonstration, or further presentation is required, it will be coordinated, established, and arranged through Procurement.

The number of proposals to be evaluated from interested respondents for any open-competitive procurement can theoretically range from a single submittal to an indefinite number. A committee can conceivably be formed to review just one proposal. For example, an offeror may be the sole source supplier for the particular good or services required; or only a few submittals are received in response to an RFP and all but one proposal has to be automatically rejected for mandatory requirements (e.g., signature, bid bond, insurance).

When the committee members have completed their individual reading and scoring of proposals, the committee chair assembles the committee as a group. These group/team meetings are the center points of the evaluation process. The discussions on each proposal and the resulting deliberations are the means by which the committee can ultimately arrive at a collective decision. At this stage, the committee process is dynamic; it is designed to solicit the perspectives and opinions of all voting members. What one committee member may have understood about a certain concept or approach may differ from what another member may have perceived. A committee can go back and forth until all members are convinced of their choices and the rationale behind them.

**Final Notes:**

- Depending on the degree of agreement/disagreement within the committee, the committee chair may deem it necessary to end the present committee meeting and reconvene the group for another meeting at a later date. In the interim, committee members may choose to re-read certain proposals or sections of proposals in order to confirm their particular convictions or to verify the positions of the committee members. Once the committee has met several times as a group, it is hoped that a unanimous decision on award recommendation can be made. However, when it is clear that only a consensus opinion has resulted, then the committee should go forward with both a majority and minority report.

- Once a selection has been identified, the committee chair will provide a written recommendation to the dean/department head, or depending upon amount, the executive vice president and treasurer or delegate supporting its review and recommendation. If management approves the committee’s recommendation, the procurement action will continue through the normal MFA procurement and contract approval process. If management rejects the committee’s recommendation, and selects a different vendor, then management will notify the committee chair of this action along with the reasons and justifications. Management may reject all of the vendors and ask that the procurement process be re-opened and the committee will be reconvened to review the new bids and quotations.

# Appendix B – Statements of Work

## What is a Statement of Work?

A Guide to the Project Management Body of Knowledge (PMBOK™ Guide) defines a Statement of Work (SOW) as "a narrative description of products or services to be supplied under contract." The definition, as written, can be interpreted to mean only those products and services to be provided to the client; however, in actuality, it should also encompass the needs and requirements of the contractor to properly perform the delivery of the products and services (facility requirements, security access, and so forth). To ensure clarity, the definition may be expanded upon to read: "a narrative description of the products and services to be supplied to a client, as well as a description of the contractor's needs and requirements to properly perform the delivery of such products and services under contract."

The SOW must identify the responsibilities of all parties involved.

## Why is the SOW important?

The SOW establishes the baseline or foundation upon which the services and products are to be delivered. The importance of having a solid foundation almost goes without saying.

Imagine the construction of a house. One of the first things you do in constructing a house is to build the foundation. Since this is what the physical structure rests upon, the structural integrity of the house is largely determined by the stability of the foundation. While it is relatively easy to go back and make adjustments to the superstructure, it is often impossible to make changes or adjustments to the foundation. Thus, it's imperative that the foundation be constructed right the first time.

Most project failures occur not in the implementation or execution phase of a project, but in the initiation and planning phases. During this time, you establish the foundation that will ultimately determine whether the project will succeed or fail. Without a detailed description of the work to be performed, you're essentially managing a project with an unknown objective; as such, you have no baseline upon which to measure progress or to base change (i.e., scope, cost, schedule, etc.). It's also important to note that change doesn't necessarily cause a project to fail. It's an organization's inability to properly manage change that will ultimately lead to project failure. Without an established baseline or foundation for a project, you are left trying to manage change on an undefined or unknown scope.

The SOW is also a supporting document to the contract. The contract defines the legal terms and conditions whereas the SOW defines in detail what services and products will be provided to the client, as well as what you, the service deliverer, require from the client to properly provide those services and products. It basically provides all parties with an objective measure of when work is satisfactorily completed and when payment is justified for such work.

**SOW Tips**

| Structure of a Simple SOW | Writing Style Suggestions |
|---|---|
| ☑ Project Title<br>☑ Project Period of Performance<br>☑ Background or Problem Statement<br>☑ Objective<br>☑ Scope of Work<br>☑ Requirements<br>☑ Deliverables<br>☑ Terminology/Glossary<br>☑ Project Budget<br>☑ Applicable documents | ☑ Use a straightforward numbering system<br>☑ Write in the active person<br>☑ Avoid legalese<br>☑ Avoid vague words<br>☑ Avoid indefinite phrases<br>☑ Define acronyms<br>☑ Include sufficient details |

Identifying risks and addressing mitigation in the SOW is a best practice. This means first, identify key risk areas and sources of risk. Next, determine how to manage and contain risk. Then, add those elements to the SOW. Be sure to consider using milestones and payment schedules to manage potential risk. Mitigate risk by adding performance-based elements to the SOW. These include items such as:

- **Project Title**: Provide a consistent title that will be used by both parties to identify and administer the project on reports, invoices and communications.
- **Background/Problem Statement**: Briefly describe how the specific project/task in the SOW relates to the primary project.
- **Project Budget**: Include a detailed budget that covers the entire project period of the SOW. If the period of performance is multi-year, the budget should be represented in yearly increments.
- **Deliverables**: Outline project deliverables to be provided, dates due and to whom they should/will be delivered.
- **Period of Performance**: Provide the specific start and end dates for performance of the SOW. If the SOW performance does not span the entire project, be sure to note. For example, if the SOW is only performed in years 2-3 of a 5-year project, be sure to indicate the exact dates.
- **Requirements**: This section should provide a detail to support the SOW, to include tasks, meeting frequency and types, milestones, required compliance measures and payment.
- **Scope of Work**: Statement of project, intended accomplishments and overview of all tasks to be undertaken to accomplish project goals. This section should include methods and timeline.
- **Terminology/Glossary**: Define any terms as needed.

# Appendix C – Uniform Guidance or 2 CFR 200 Definitions – Federally Funded Sponsored Projects

Compliance with all relevant policies and regulations is the responsibility of all employees engaged in procurement. Office of Management and Budget (OMB) issued Uniform Administrative Requirements, Cost Principles, and Audit Requirements (Uniform Guidance or 2 CFR 200) for federal awards. The Uniform Guidance streamlines and supersedes guidance previously contained in eight separate OMB Circulars. Included in the new guidance are uniform administrative requirements (pre and post-award), cost principles, audit requirements, and definitions.

Important to note for Sponsored Projects, the Uniform Guidance supersedes OMB Circulars A-110, A-21, and A-133 Below find four important definitions: Federal award, contract, contractor and subaward.

**Quick Links:**

- Federal Register - 2 CFR 200
- Council on Financial Assistance Reform (COFAR) – 8/29/2014 Frequently Asked Questions
- COFAR's "Uniform Guidance Implementation: A Conversation Presented by the Council on Financial Assistance Reform" - Webinar

Below find four important definitions: Federal award, contract, contractor and subaward. For more information, read GW's Sponsored Projects Handbook.

## 200.38 Federal award

Federal award has the meaning, depending on the context, in either paragraph (A) or (B) of this section:

(A) (1) The Federal financial assistance that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in 200.101 Applicability; or

(2) The cost reimbursement contract under the Federal Acquisition Regulations that a non-Federal entity receives directly from a Federal awarding agency or indirectly from a pass-through entity, as described in 200.101 Applicability

(B) The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance as defined in paragraph (B) of §200.40 Federal financial assistance, or the cost reimbursement contract awarded under the Federal Acquisition Regulations.

(C) Federal award does not include other contracts that a Federal agency uses to buy goods or services from a contractor or a contract to operate federal government owned, contractor operated facilities (GOCO's).

## 200.22 Contract

Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definitions of a Federal award or subaward.

### 200.23 Contractor

An entity that receives a contract as defined in 200.22.

### 200.23 Contractor

An entity that receives a contract as defined in 200.22.

### 200.92 Subaward

An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass through entity. It does not included payment to a contract or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass through entity considers a contract.

## Appendix D – P2P Terms to Note

- **Competitive Solicitation Process**: A formal process providing an equal and open opportunity to qualified parties and culminating in a selection based on submitted documentation and established criteria. At GW, the Competitive Solicitation Process may be achieved through the issuance of an invitation to bid or a request for proposals.
- **Formal Solicitation**: A formal invitation to receive quotes, in the form of a request for proposal or an invitation to bid.
- **Invitation to Bid**: A formal bid solicitation document that is used when (1) the estimated value of the requirement exceeds the threshold for formal bidding; (2) two or more sources are considered able of supplying the requirement; (3) the requirement is adequately defined in all respects to permit the evaluation of bid against clearly stated criteria; and (4) bids can be submitted on a common pricing basis. An Invitation to Bid is intended to accept the lowest-priced responsive bid without negotiations.
- **Justification and Approval** (J&A): A form required to justify the selection of a contractor where the responsible department does not utilize an informal or formal solicitation process (i.e., obtaining quotes or sending out an invitation for bid or request for proposals) or when the selected contractor is not the lowest bidder. In such cases, it is required when purchases are: (1) part of federal contracts and in an amount greater than $10,000; The form requires a rationale for omitting the solicitation process. It is submitted to the Procure-to-Pay Department through the online requisition for approval.
- **Lease**: A lease is a contract by which an owner of real estate, facilities, or equipment conveys to another, the exclusive use of such asset for a specified amount of time in return for a specific amount of rent. GW commonly uses leases for the rental of office space and the rental of copying machines.
- **License**: A license is a contract by which an owner gives permission to another to use something or to allow an activity that would otherwise be forbidden. A common license used by GW is a Software License: A software license is a type of license made by the owner of a computer program ("licensor") to another ("licensee") for the use of that computer program. A software license grants the licensee the ability to use one or more copies of the software in ways that, without such permission, would be considered infringement. Another common license is a License for the Use of Space: A license for the use of space conveys a different set of rights than what is conveyed by a lease
- **Purchase Order** (PO): A document issued by GW (the buyer) to a contractor authorizing a purchase. It includes the terms and conditions that will govern the purchase and describes the purchase quantity and price. After a Requisition is approved by Procurement, Procurement issues a PO to the contractor.
- **Quote**: An offer by a contractor for the sale of a good or service. An informal quote can be verbal (received by phone and documented in the requisition) or written. A formal quote must be received in writing from the contractor. Quotes are requested so that GW can get the best price and quality.

- **Request for Proposal**: A request for proposal (sometimes known as a "RFP") is used to solicit proposals from potential contractors for goods and services. Unlike the invitation to bid, price is usually not a primary evaluation factor when a RFP is used. A RFP provides for the negotiation of all terms, including price, prior to contract award. It may include a provision for the negotiation of best and final offers. Use of RFPs can be a single-step or multi-step process.
- **Requisition**: a written request for an authorized purchase. GW requires submission of a Requisition for the purchase of most goods and services. Requisitions are created using Enterprise Accounting Services (EAS). Procurement reviews the choice of contractor to ensure it is not in conflict with an existing contract with a preferred contractor.
- **Requirements Document**: Documentation relating to a procurement – such as a specification, scope of work, or statement of work – that describes the good or service to be procured. The requirements document is used to solicit responses (bids or proposals) from contractors.
- **Scope of Work**: This is a written description of the contractual requirements for the materials and services contained within a Request for Proposal.
- **Specifications**: A precise description of the physical or functional characteristics of a product, good or construction item. A description of goods as opposed to a description of services. A description of what the purchaser seeks to buy and what a bidder must be responsive to in order to be considered for an award of a contract.
- **Statement of Work**: A statement of work (SOW) is a formal document that details the work, deliverables, locations, timelines, pricing, and other requirements of a contractor in performing specific work. The SOW is typically used after the RFP process, builds on the scope of work, and is used to manage the agreement once it is time to execute. The SOW can also be used as a "task order" (see below) when placing an order against an established contract.
- **Supplier Selection Memo** (SSM): The document that accompanies a requisition for goods or services that tells the story of how the procurement occurred. The SSM records what vendors were contacted for competition, what responses were received, as well as how the recommendation for award was determined. A SSM is also used to justify sole-source awards to suppliers when competition is not sought.
- **Suspension:** A disqualification from federal government contracting and subcontracting for a temporary period of time because a company or individual is suspected of engaging in criminal, fraudulent, or seriously improper conduct. Suspension is to be used on an interim basis pending debarment proceedings.
- **Task Order**: An order for services placed against an established contract (sometimes known as a Master Services Agreement).

# Receipt and Return of Goods

All goods received by a department must be inspected and verified immediately against the purchase order or against another receiving document such as a bill of lading, packing slip or by noting the receipt on the invoice submitted for payment. The responsibility for receiving and documenting receipt of goods rests with the requestor of the goods. If not physically received by the requestor, the requestor must receive notification from the receiving party summarizing what was received so that an accurate record of receipt can be noted.

A. Over/Under Shipments

If you receive more or less than originally ordered and a purchase order (PO) was issued, notify Procure-to-Pay Department (P2P) immediately by e-mail at p2p@gwu.edu (include the purchase order number) to amend the purchase order. In the case of an overage, the department should work with the vendor to obtain a Return Merchandise Agreement (RMA).

B. Changes or Cancellations

If a requisitioner decides to change or cancel the quantity on a purchase order, notify P2P immediately by e-mail at p2p@gwu.edu (include the Purchase Order number). P2P will verify the change or cancellation with the supplier.

If a supplier elects to change the quantity or substitute an item, the supplier should notify P2P. However, if the supplier notifies the requisitioner, the requisitioner should amend the purchase order to match the substituted item by submitting a requisition to revise the purchase order information.

C. Procurement Card (P-Card) Requirements

If goods are purchased with a P-Card, the P-Card holder is responsible for: 1) inspecting the goods immediately upon delivery; 2) contacting the merchant when the goods purchased are not acceptable (incorrect, defective, etc.); 3) arranging a return for credit or an exchange. Credit must be returned to the P-Card.

## Defective Goods

It is the policy of the university not to accept defective goods. When defective goods are detected while the carrier is present due to damage to the shipping box or carton, the bill of lading or other receiving document must not be signed and the defective goods should be rejected and returned to the supplier by the carrier.

When defective goods are not discovered until the package is opened, and after the carrier is gone, the damaged or missing items should be documented and the deficiency or damage reported to the supplier. The goods must be kept as is until the supplier claim inspection has been made or the supplier concurs. Most often an

RMA is required to return goods to a supplier after the university has signed for its delivery.

### Warranties

It is the requisitioning department's responsibility to record warranties with the supplier, as applicable. In the event service is required during the warranty period, the requisitioning department is responsible for contacting the supplier. If the warranty service is not provided or is inadequate, notify Procure-to-Pay Department (P2P) for support. If the warranty expires and the department intends to extend the service, a requisition must be created via EAS to extend the warranty.