OCCIDENTAL COLLEGE
CAPITAL PROCUREMENT POLICY
Federal Grants and Contracts

Background and Requirements

Institutions of higher education are required to establish and to follow their own capital procurement procedures, based on the standards and requirements contained in federal laws and regulations. OMB Circulars A-102 .36 and A-110 .40 through .48 establish standards, procedures, and requirements for recipient procurement systems. These are summarized below:

1. Every effort should be made to avoid the purchase of unnecessary or duplicative items.
2. All procurement transactions should be constructed in a manner that provides maximum open and free competition.
3. Procurement selection procedures should be written, including all requirements and factors to be used in evaluating bids or proposals.
4. Written standards of conduct must be maintained regarding the performance of employees engaged in the award and administration of contracts and should make it clear that any employee who has a financial or other interest in any firm bidding on a contract not be permitted to participate in such a procurement.
5. Positive efforts must be taken to utilize small businesses, minority-owned firms, and women's business enterprises, whenever possible.
6. A contract administration system must be established and maintained to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contract or purchase orders.
7. Some forms of cost or price analysis including lease vs. purchase analyses when appropriate must be made and documented in the procurement files in connection with every procurement action.

Since all federal laws and regulations on procurement apply to all federally-funded programs, and since the majority of sponsored programs at Occidental are federally funded, the College's policies governing the acquisition of capital equipment in relation to all sponsored programs are based on the above requirements, the Procurement Policy Act of 1988, and the Anti-Kickback Act of 1986.

Procurement Policy

1. The Principal Investigator is primarily responsible for insuring that all requirements of the College's procurement policy and Code of Conduct are met.
2. No unnecessary items may be purchased.
3. Where appropriate, an analysis will be made of lease and purchase alternatives to determine which method would result in the most economical and practical procurement for the awarding agency. The analysis will be documented and the documentation retained for the required period of time in the Business Office.

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1 A Capital procurement is defined as the purchase of any single item (e.g. a piece of scientific equipment) or group of related components with combined value equal to or greater than $5,000.

Revised 4/19/00
4. Solicitation for goods and services must provide for all of the following:

   a. A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features that unduly restrict competition.

   b. A description, whenever practicable, of technical requirements in terms of function to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.

   c. Specific requirements or features of “brand name or equal” descriptions that bidders are required to meet when such items are included in the solicitation.

   d. Preferences, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

5. Positive efforts shall be made by Grant recipients to use small businesses, minority-owned firms and women’s business enterprises whenever possible.

   a. Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.

   b. Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.

   c. Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.

   d. Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.

   e. Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce’s Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

6. Some form of cost or price analysis shall be made and documented in the procurement files concerning every procurement action.

7. Cost plus percentage of cost and percentage of construction cost types of contracts shall not be used.

8. No contracts will be entered into with debarred contractors.


10. All original documents pertaining to procurements in relation to sponsored programs will be held in the award file in the Grants and Contracts Office in the Business Office. The Principal Investigator is responsible to forward any and all such documents to the Grants and Contracts Office immediately upon the conclusion of the procurement process. These records should include any bids/quotes made during the proposal process.

Revised 4/19/00