

HOWARD UNIVERSITY POLICY

Policy Number:	200-003 ADMINISTRATION, FACILITIES AND PUBLIC SAFETY
Policy Title:	PROCUREMENT - GENERAL
Responsible Officer:	Chief Procurement Officer
Responsible Offices:	Office of the Chief Financial Officer and Office of Procurement & Contracting (OPC)
Effective Date:	June 29, 2011 May 29, 2012 – Conforming Revisions February 1, 2022 – Conforming Revisions September 12, 2022 – Revised to address ERP and Uniform Guidance November 1, 2025 Conforming Revisions

I. POLICY STATEMENT

It is the policy of Howard University (“the University”) to utilize the Office of Procurement & Contracting (OPC) for all acquisitions of goods and services on behalf of the University. This process is guided by ethical conduct, sound business practices, accountability, the pursuit of best value, compliance with donor and sponsor requirements, adherence to Uniform Guidance, and observance of federal and other regulations. OPC serves as the authorized agent with the expertise to provide strategic sourcing guidance for all goods and services, aiming to obtain the highest quality products and services at the best value through fair and open competition. This authority is exercised by OPC personnel, who function as ethical and accountable stewards of University funds. Please note that this policy specifically applies to the University.

OPC is responsible for executing University policies and procedures in accordance with published Standard Operating Procedures.

Howard University personnel who are directly involved in the University’s purchasing process are prohibited from having outside business relationships with vendors that conduct business with the University. Nothing in this policy shall be interpreted in a way that supersedes any part of the [Howard University Code of Ethical Conduct](#) regarding ethical standards in University business activities.

II. RATIONALE

OPC conducts acquisitions with the goal of obtaining the highest quality products and services at the best value. As a recipient of federal funds, the University is required to follow an established set of guidelines and policies as set forth by the federal government requirements

- Uniform Guidance (2CFR 200)

III. ENTITIES AFFECTED BY THIS POLICY

This policy applies to all entities, affiliates, and subsidiaries that are required to report results to the federal government or other external funding sources unless explicitly stated otherwise. This includes all thirteen colleges and schools of Howard University, WHUR (Radio Station), WHUT (Television Station), Howard University International (HUI), and other entities and affiliates including grant-funded programs. This policy does not apply to the Howard University Hospital.

IV. DEFINITIONS

Acquisition - The process of obtaining goods, supplies or services through a purchase, lease or a grant.

Consulting Service – these services are usually intellectual in nature and can be considered technical in nature, such as advisory services, feasibility studies, legal services, disparity studies, project management, training and development, and engineering services.

Comparative Pricing - the process of comparing prices of similar goods or services in the market. The price is compared with information such as pricing from other suppliers, historical prices, indexes, catalogue pricing, comparable product prices, and prices paid by other organizations to determine reasonableness.

Competitive Bidding - A procurement process in which bids are solicited either publicly or privately from multiple suppliers, the contract is awarded to the supplier whose bid/proposal offers the best value or is the most advantageous based on predetermined evaluation criteria. This process ensures fairness and transparency in selecting the supplier.

ERP System – a software that organizations use to manage day-to-day business activities such as accounting, procurement, project management, risk management and compliance, and supply chain operations. ERP Systems tie together a multitude of business processes and enable the flow of data between them. By collecting an organization's shared transactional data from multiple sources, ERP systems eliminate data duplication and provide data integrity with a single source of truth.

Goods – these are physical and tangible items such as furniture, fixtures, instruments and equipment purchased for the use of the University.

Micro-Purchase Threshold – The acquisition threshold dollar value which purchases of goods or services may be made without soliciting competitive quotes or bids as defined by Uniform Guidance (2 CFR § 200.320). Micro-purchases must be reasonable, properly documented, and distributed equitably among qualified suppliers.

Minimum Vendor Qualifications (MVQ) – Providers of goods or services must meet Minimum Vendor Qualifications, as defined by the University, before they will be considered potential Vendors. Vendor credentialing minimizes business and legal risks by ensuring that the University only uses Vendors that meet the Minimum Vendor Qualifications.

Online Catalogs – Allow end-users (customers) to request products under the negotiated terms of the University's master contract. When using an online catalog system, product identification and selection time is accelerated; the approval and payment process cycle time is reduced; and pricing errors drop as price is checked against the pre-negotiated contracts reflected in the catalog.

Procurement - The acquisition of goods and/or services. It is favorable that the goods/services are appropriate and that they are procured at the best possible total cost of ownership (TCO) to meet the needs of the purchaser in terms of quality and quantity, time, and location. Where applicable Purchases using federal sponsored funds must be made in accordance with Uniform Guidance (2CFR 200): The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Cost Principles for Educational Institutions. Additional purchasing requirements needed to comply with the Uniform Guidance can be found on the Procurement Services website.

Procurement Conflict of Interest (“PCOI”) - When a Howard employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a supplier considered for a Howard purchasing transaction.

Professional Services – involves specialized, expert, or advisory tasks that require advanced knowledge, skills or certifications. These services are often customized and may include consulting, legal, financial, IT or engineering services. Professional services contracts typically focus on expertise, quality of work, and deliverables, rather than standard pricing.

Purchase Cards (P-cards) - A corporate-liability charge card issued by Howard to qualified employees to use to support Howard business only and in accordance with the P-card policy.

Purchase Order (PO) – A formal document issued by the Office of Procurement & Contracting (OPC) authorizing a supplier to provide specified products or services to the University at agreed-upon prices and quantities. It is a legally binding document by the University. Only authorized OPC personnel are permitted to send POs to suppliers.

To be valid, all POs must be signed by the Chief Procurement Officer (CPO).

- POs valued at **\$250,000 or more** require the **Chief Financial Officer’s (CFO)** signature.
- POs valued at **\$1,000,000 or more** require signatures from both the CFO and President.
- POs exceeding **\$5,000,000** require signatures from the CFO, the President, and notification to the **Board of Trustees**. [See *Requisition*.]

Request for Information (RFI) – A standard University procurement process generally used when a large, complicated purchase is being considered, and the potential pool of suppliers must be pre-qualified.

Request for Quotations (RFQ) – A procurement process to solicit competitive bids from suppliers for specific goods or services. In addition to pricing, suppliers are required to provide details on payment terms, quality standards, delivery timelines, and contract duration to support the University’s procurement decision. RFQs are typically used for well-defined purchases where price is a key determining factor. [See Request for Proposals.]

Request for Proposals (RFP) - A formal procurement process used to solicit detailed proposals from suppliers for specific goods or services. It outlines the scope, performance specifications, and intended use to ensure suppliers address the required capabilities. When using an RFP, the University is responsible for evaluating the feasibility of the proposals, assessing the financial health of the proposers (companies), and verifying each proposer’s ability to undertake the project. The RFP process helps identify risks, benefits, and value upfront, supporting informed procurement decisions. [See *Request for Quotations*.]

Requester - A University employee who has been trained and granted access to submit requisitions for the purchase of goods and services in the University's ERP system.

Requisition - A formal request to purchase a good or service. The requisition initiates the procurement process by specifying the product or service details, estimated cost, and funding source. Requisitions must follow an approval path based on the total value of the request:

- **\$50,000 or more** requires the approval of the Controller
- **\$250,000 or more** requires approval from both the Controller and the CFO
- **\$1,000,000 or more** requires approval from the Controller, CFO and the President
- **\$5,000,000** requires approval from the Controller, CFO, the President, and notification to the Board of Trustees

Standard Services – These are services that are routine, repetitive, or commodity-based tasks that are typically well-defined and measurable. These services follow standard pricing structures and require minimal specialized expertise. Examples include janitorial services, landscaping, cafeteria and equipment maintenance.

Simplified Acquisition Threshold - This acquisition threshold is set by the federal government. The simplified acquisition threshold is currently \$250,000 and is periodically adjusted for inflation.

Small Purchase Procedures Threshold - This acquisition threshold is set by the federal government. This threshold is currently set for purchases greater than or equal to \$10,000 and less than \$250,000.

Single Source – A single source procurement occurs when multiple suppliers are capable of providing the goods or services, but the University selects a specific supplier without a competitive process. A single source procurement must still adhere to justification and documentation requirements, demonstrating that the selection is reasonable, cost-effective and in the University's best interest.

Sole Source - The concept of selecting a Supplier for an agreement/engagement without a competitive process, based on one or more of the following: a justification that a good or service is unique or proprietary (e.g., specialized and unique laboratory equipment, specialized software, patented materials or techniques); if a supplier has an exclusive agreement or territorial limitation; the Federal awarding agency or pass-through entity expressly authorized noncompetitive proposals in response to Howard's written request; the requirement will not meet the criteria for competition; or public exigency or public emergency (i.e., imminent threat to persons or property) for the requirement will not permit a delay resulting from competitive solicitation.

Solicitations – The overall process that employs *Request for Quotations* and *Request for Proposals* and contains technical and descriptive requirements of a good or service and its intended use or application. Performance specifications are used whenever possible so as to describe the capabilities that are required for the intended use of the commodity or service. All bid specifications are developed by the user department in conjunction with OPC.

Spend Categories – a structure for standardizing procurement for consistency, efficiency and economy. Spend Category Codes are based on professional standards and ensure proper processing, reporting and accounting of goods and services. These codes are instrumental in budgeting review and funding allocations.

Sponsored Program Purchasing – Procurement of goods and services for sponsored programs is covered under *Sponsored Program Purchasing Policy 100-600-021*.

Standard Services – consists of preventative maintenance agreements, equipment maintenance and repair, utility management, and surveys and field inspections/investigations.

Total Cost of Ownership (TCO) – is a tool used by OPC to assist in determining direct and indirect costs of a product, service or system when analyzed within the overall context of the University's mission and strategic goals.

University Preferred Supplier - A Supplier with whom OPC has established a special arrangement to maximize the purchasing power of the University and reduce the overall cost of goods and services by establishing a University-wide master contract. These arrangements offer numerous features and provide an overall best value for the University. Departments utilizing contracts with Preferred Suppliers, as long as the contract is still in effect, are exempt from participating in the competitive bidding process. Suppliers that have been awarded a contract by Group Purchasing Organizations, Cooperatives, and the Federal Government (GSA schedule) are considered Preferred Suppliers.

V. POLICY PROCEDURES

OPC will only process requisitions which have been fully approved. An approved requisition ensures that all transactions will be sufficiently documented, accurately and completely recorded, charged to the proper accounting period (fiscal year), properly classified as to expense categories, budget checked, and complies with the University's Procurement & Contracting policies, procedures, and Uniform Guidance.

University's Procurement & Contracting Policies, Procedures & Guidelines: SPONSORED PROGRAMS & UNRESTRICTED FUNDS	
Up to \$10,000	No Quotes Required
\$10,001 - \$24,999	Three (3) Written Quotes by Procurement If the requester does not obtain quotes and names a specific source for any reason, the requester must provide the appropriate justification (Sole/Single Source/Best Source). OPC will follow procurement guidelines. **OPC reserves the right to utilize preferred suppliers, existing Master Agreements, or Group Purchasing Organizations
\$25,000 - \$249,999	Three (3) Written Quotes by Procurement If the requester obtains the quotes or requests a specific source, the request must provide appropriate justification (Sole/Single Source/Best Source). OPC will follow procurement guidelines. **OPC reserves the right to utilize preferred suppliers, existing Master Agreements, or Group Purchasing Organizations
\$250,000 and above	Formal Bids/RFP. Procurement administers the process. Requester must submit supporting documentation (i.e., Quotes, SOW, Payment Terms, and full copies of applicable contracts) Evaluation criteria are developed, and an evaluation committee is assembled (when applicable). **OPC reserves the right to utilize preferred suppliers, Existing Master Agreements, or Group Purchasing Organizations

Please refer to the following documents:

- General Procurement Process Standard Operating Procedures (SOP)_(Link)
- Purchasing Checklist and Bid Summary Form (link)

VI. EXCEPTIONS

The following standard and professional services may be exempted from competitive bidding:

- Services performed by an individual of special skills, e.g., Doctor, Attorney, Teacher, Accountant, Photographer, Chef, etc.
- Services provided by a university, college, or other educational institutions
- Educational or vocational training services
- Experimental, developmental or research work
- Analysis, studies, or reports
- Medicines and medical supplies
- Supplies purchased for authorized resale
- Perishable or non-perishable subsistence supplies
- Electric power or energy, gas, water or other utility services where the prices are controlled by the Public Service Commission or government agencies
- Acquisition of training film, motion picture production, manuscripts or similar products or services
- Technical standard services involving the assembly, installation, or servicing of equipment of highly technical or specialized nature
- Parts or components as replacement parts of equipment specially designed by the manufacturer
- When acquiring construction where a contractor or group of contractors is already at work on the site, and it would not be practicable to allow another contractor to work on the same site
- Technical equipment requiring standardization and interchangeability of parts
- Rental of hotel facilities for guest accommodation, or conference where specifications may be vague, or requirement may be unique based on individual, or group demands
- Advertisement to attract a particular ethnic or gender group for special research purposes.

VII. SANCTIONS

- A. Disciplinary action as allowed by HR Policies and Procedures up to and including termination of employment or student enrollment status.
- B. ERP access shall be revoked.
- C. Department budget shall bear the expense of unfavorable purchases, to include but not limited to late and legal fees.
- D. Failure to use the P-card in compliance with University policy can result in suspension or revocation of the P-card and possible disciplinary action.
- E. The Chief Compliance Officer, in consultation with the General Counsel, shall have ultimate authority in determining conflicts of interest and recommending appropriate sanctions.

VIII. RELATED POLICIES

[300-004 Asset Capitalization Policy](#)

[300-005 Contract Signing Authority Levels and Administrative Requirements](#)

[300-007 Contracting Policy](#)

[300-010 Gift Card Policy](#)

[100-600-013 Subcontract Execution and Approval](#)

[100-600-021 Sponsored Program Purchasing](#)

[100-600-023 Subrecipient Invoicing](#)

[100-600-028 Sponsored Program Equipment Management](#)

IX. HYPERLINK

[Howard University Policy Office](#)