

SIBCR Procurement Policy

General Guidelines

The Seattle Institute for Biomedical and Clinical Research (SIBCR) is committed to prudent business practices for the procurement of goods and services necessary for the effective conduct of its research and education activities. SIBCR requires that PIs, their staff, or other individuals who plan for or purchase products, equipment, supplies, and services with SIBCR funds, base purchases on sound business practice, best value, accountability, and compliance with donor, sponsor and regulatory requirements. Individuals planning for or making purchases must follow this and other SIBCR policies and procedures.

Procurements of goods and services charged directly to federal awards must comply with the procurement requirements of 2 CFR Part 200 (Uniform Guidance), and the debarment and suspension provisions of 2 CFR Part 180. Procurements of goods and services charged directly to federal contracts must comply with the requirements of the Federal Acquisition Regulations (FAR) and/or Defense Federal Acquisition Regulations (DFAR) included in the prime contract. All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of 2 CFR Part 200, FAR or DFAR as applicable.

In addition, all purchases must comply with all terms and conditions of the funding source and must be used for VA-approved research or education. Finally, SIBCR strongly encourages best practices for purchases made with non-federal funds.

Whenever possible, all individuals purchasing on behalf of SIBCR should purchase goods and services from the SIBCR preferred vendor list, which can be requested by contacting accounting@sibcr.org.

For purposes of this policy, the term “vendor” is used interchangeably with the term “contractor” to mean a supplier providing goods or services to SIBCR for SIBCR’s own use.

The following requirements apply for all purchases:

- Sufficient funds must be available to cover costs;
- A research rationale must be provided for each research-related purchase and, for education activities, the expense must be within the scope of the approved educational activity;
- All purchases for sponsored research projects must be reasonable and necessary for the performance of the project, as well as allowable and allocable under the terms and conditions set forth in the sponsor agreement.

SIBCR funds may not be used to pay professional licensure payments. In addition, the costs of CME credits cannot be paid for members.

SIBCR is not exempt from state sales and excise taxes and must pay tax on all tangible goods purchased for use in Washington State. If sales tax is not charged, SIBCR is required to pay use tax to the state.

No expenditures will be authorized for donations to organizations engaging in general charitable or other philanthropic activities.

FINAL PURCHASES ON PROJECTS

Goods and services must be ordered and received prior to the final end date of a project. To ensure sufficient time for order placement and shipping, all purchase orders must be received by SIBCR

Accounting a minimum of 30 calendar days before the end of the project period.

Receipt of goods and services must be documented with either a packing slip for tangible items or an invoice for services rendered. The receipt date on these documents must be prior to the end of the project as it appears on the award.

Some examples of goods and services include, but are not limited to the following items:

- Tangible goods (e.g., supplies, equipment, etc.)
- Licenses and software
- Services provided to a project (e.g., consulting agreements, data analysis, etc.)

Conflict of Interest, Regardless of Funding Source

All purchasing activities conducted on behalf of SIBCR, whether made with federal or non-federal funds, must follow the standards outlined in [Appendix A](#). These standards are intended as a supplement to SIBCR's existing conflict of interest policies.

Purchases with Federal Funds

SIBCR receives significant funding from federal sources and **must** comply with the federal regulations for purchases with federal funds as well as expenses transferred onto federal funds. See [Appendix B](#) for a summary table of purchase requirements. These purchases are reviewed by the SIBCR Accounting Office for compliance with federal regulations (i.e., debarment and suspension) and are subject to internal and external audit. PIs and their authorized designees are required to provide the Accounting Office with back-up documentation and retain a copy on file for federal auditors. Examples of documentation include: a rationale for method of procurement, vendor information, bids, quotes, and/or cost/price analyses.

- Micro-Purchases - Goods or services ≤ \$25,000: Purchases should be made at a cost considered reasonable and distributed equitably among qualified suppliers (to the extent practicable). A Vendor Justification Form (VJF) is not required. Use of SIBCR preferred vendors is encouraged.
- Small Purchases - Goods or services > \$25,000 to \$250,000: Price and rate quotations must be obtained from an adequate number of qualified sources. Purchasers must complete the SIBCR VJF and provide backup documentation to the SIBCR Accounting Office. Purchases or expenses transferred onto federal funds must meet the VJF criteria.
- Purchases >\$250,000: A formal bid process with written quotes is required for federal purchases greater than \$250,000. Quotes must follow competitive proposal guidelines (or sealed bids if construction). A competitive bid proposal requires that a formal Request for Quote (RFQ) or Request for Proposal (RFP) be publically advertised, evaluated and selected in accordance with Uniform Guidance specifications.
- Non-competitive procurement: is used when choosing a specific company and bypassing the competition. It is only allowable under certain specific circumstances as listed on the SIBCR VJF.
- Avoid wasteful or duplicative purchases: Uniform Guidance requires SIBCR purchasers to avoid the purchase of unnecessary or duplicative items. In addition, when possible, purchasers should compare the costs of leasing versus buying, assess the feasibility of consolidating, breaking out purchases or sharing a product or service to reduce overall

costs.

- F. SIBCR may not engage in transactions with parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities pursuant to Executive Orders 12549 and 12689, 2 CFR part 180, and FAR 52.209-6 and 52.225-13, as applicable.
- G. As appropriate and to the extent consistent with the law, SIBCR and SIBCR's vendors should preferentially purchase, acquire, or use of goods, products, or materials produced in the United States to the greatest extent practicable.
- H. SIBCR is required to follow the FAR, DFAR and CFR clauses referenced below and is prohibited from entering into contracts and subawards with entities that violate the terms of these regulations:
 - 52.204-23 "Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities"
 - 52.204-25 "Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment"
 - 2 CFR 200.216 "Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment" (applicable for grants and cooperative agreements)
 - 252.204-7018 "Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services"

All Funds Other Than Federal

Follow funder/grant terms and best practices for purchases with any non-federal funds.

Typically, only purchases made with federal funds must comply with the terms of Uniform Guidance, FAR and DFAR. However, note that any purchases transferred to a federal award **must** comply with applicable federal regulations and the terms of the award, even if the purchase was originally made with non-federal funds.

Likewise, purchases transferred to other funds **must** comply with sponsor or donor terms, if applicable, even if the purchase was originally made with unrestricted funds. See [Appendix B](#) for a summary table of best practices when using non-federal funds.

SIBCR preferred vendors should be used whenever possible.

- A. Micro-Purchases - Goods or services ≤\$25,000: for purchases with a total value of \$25,000 or less, the purchaser may use their discretion to select a responsible supplier to purchase goods or services.
- B. Small Purchases - Goods or services > \$25,000 to \$250,000: if an SIBCR preferred vendor is not available (or a purchaser believes there is an opportunity to acquire the good or service for a lower cost, taking the total cost of ownership into consideration), purchasers should obtain at least two quotes (three or more is best practice) from qualified suppliers. See [Appendix B](#) regarding a summary table of best practices when using non-federal funds. The SIBCR VJF is not required.
- C. Goods or services >\$250,000: for purchases greater than \$250,000, purchasers should conduct a formal bid process from at least two vendors (three or more is a best practice). Contact the SIBCR Accounting Office to discuss the purchase process.

- D. Wasteful or duplicative purchases: A best practice is to consider ways to prevent the purchase of unnecessary or duplicative items.
- E. SIBCR may not engage in transactions with any parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities pursuant to Executive Orders 12549 and 12689, 2 CFR part 180, and FAR 52.209-6 and 52.225-13 as applicable.
- F. SIBCR is prohibited by regulation from procuring or obtaining certain goods and/or services developed or provided by certain entities identified by the federal government, as described above in Section H. These prohibitions may also apply to non-federal funding.

Orders placed outside of the terms of this policy are subject to disallowance.

APPENDICES

Appendix A: Responsibilities of Purchasers and Conflict of Interest Standards

Appendix B: Summary of Purchasing Procedures

Appendix C: Vendor Justification Form (VJF)

PURCHASING PROCEDURES

Orders must be placed by members or an authorized designee.

An SIBCR [Purchase Order \(PO\)](#) is required for all purchases. Forms are available on the SIBCR website. Please clearly indicate SIBCR as the "bill to" party with the following address: *SIBCR, 1325 Fourth Ave, Suite 1310, Seattle, WA 98101.*

SIBCR maintains accounts with most of the vendors used by the VA and UW. Please contact accounting@sibcr.org for a preferred vendor list.

Members may give signature authority on their SIBCR accounts to individuals they designate. The authorization may include dollar limits on the purchasing authority. SIBCR will periodically review the signature authority on members' accounts.

An authorized signer on the SIBCR account must sign the PO. The signed PO serves as authorization for payment by SIBCR upon receipt of the invoice from the vendor.

There are several methods to send the PO to SIBCR. After the PO is signed, it can be scanned and emailed to SIBCR; mailed to the SIBCR administrative address above; hand carried to Building 101, 3rd floor and dropped in the lock box located near the elevator; or faxed to 206-204-6190, ATTN: Accounting Dept.

The member or designee should verify receipt of the complete order and inspect for damage, defects, or other errors.

Please contact the accounting department immediately if there are any discrepancies with your items that will affect the invoice. This process will serve as documentation to verify discrepancies between items ordered, items shipped and items invoiced.

The recipient must initial and date the packing slip from received items and send it to the SIBCR accounting department. If a packing slip was not included with the items received, then the [Packing Slip Replacement form](#) must be completed.

SIBCR will not pay an invoice without first receiving the corresponding packing slip or Packing Slip Replacement form.

SIBCR will issue payment for the order upon receipt of the vendor invoice matching the authorized PO and packing slip.

PURCHASE REIMBURSEMENTS

A completed, signed Check Request form should be submitted to SIBCR to initiate payments for the occasional purchases made not using an SIBCR PO. All requests for payment or reimbursement should be made in a timely manner.

[Check Request forms](#) may be mailed, faxed, or emailed to the SIBCR accounting department at our [administrative office](#). All forms must be accompanied by receipts.

NOTE: SIBCR reserves the right to deny payment for invoices or receipts held for more than 90 days.

Appendix A

Responsibilities of Purchasers and Conflict of Interest Standards

All individuals conducting purchasing activities on behalf of SIBCR **must** avoid real or apparent conflicts of interest in their purchasing decisions, including but not limited to the following:

<ul style="list-style-type: none">• Avoid the intent, appearance, and conduct of unethical or compromising practice in relationships, actions, and communications, including with affiliates.
<ul style="list-style-type: none">• Demonstrate loyalty to SIBCR by diligently following the applicable laws, policies and procedures using reasonable care and only the authority granted as an agent purchasing on behalf of SIBCR.
<ul style="list-style-type: none">• Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of SIBCR. A conflict of interest would arise when the 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 firm considered for a contract.
<ul style="list-style-type: none">• Avoid procuring goods or services from a vendor who participated in advising, developing or drafting the request for proposals or bidding criteria. Vendors who participate in developing or drafting these components are excluded from competing for such procurements.
<ul style="list-style-type: none">• Refrain from soliciting or accepting money, loans, credits, gratuities, favors, anything of monetary value, or prejudicial discounts; such as the acceptance of material gifts or entertainment, or any kind of favors or services from present or potential suppliers that might influence, or appear to influence procurement decisions.
<ul style="list-style-type: none">• Handle information of a confidential or proprietary nature to SIBCR and/or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations. Bids and quotes submitted to SIBCR are to be held in the strictest confidence.
<ul style="list-style-type: none">• Promote positive supplier relationships through courtesy and impartiality in all phases of the procure-to-pay cycle.
<ul style="list-style-type: none">• Do not use SIBCR vendor accounts for personal purchases, or use SIBCR buying power for personal benefit.

If an individual believes that they may have a real or apparent conflict of interest, the individual must promptly and fully disclose the conflict to their supervisor and suspend participation on the purchase until the conflict question has been resolved. The supervisor is responsible for documenting the conflict and elevating it to the SIBCR Director of Finance. The supervisor in conjunction with other relevant offices will assess the conflict and determine if the purchaser can resume participation or if a management plan is needed. This section is not meant to replace or detract from the existing SIBCR Financial Conflict of Interest Policies.

Violations of the above standards will be considered serious misconduct and will be referred to the appropriate office for disciplinary action.

Appendix B
Summary of Purchasing Procedures

Threshold	REQUIRED for Federal Funds or Expenses Transferred onto Federal Funds	BEST PRACTICE Non-Federal Funds (all other funds)
\$0-\$25,000 Micro Purchase	<ul style="list-style-type: none"> • SIBCR preferred vendors are encouraged. • Purchases should be made at a cost considered reasonable and distributed equitably among qualified suppliers to the extent practicable. • Consider use of group purchasing arrangements, such as VWR, Nikon, Office Depot and UPS. 	<ul style="list-style-type: none"> • SIBCR preferred vendors are encouraged. • Purchases should be made at a cost considered reasonable and distributed equitably among qualified suppliers to the extent practicable.
>\$25,000-\$250,000 Small Purchase Simplified Acquisition Threshold (SAT)	<ul style="list-style-type: none"> • SIBCR preferred vendors are encouraged. • Electronic Vendor Justification Form (VJF) must be completed and sent to accounting@sibcr.org. <ul style="list-style-type: none"> ◦ Quotes from an adequate number of qualified sources: A minimum of 2 but recommend 3 written quotes (email is allowable). ◦ Back-up documentation regarding vendor selection justification must be sent with the VJF (e.g., quotes, technical specs, websites, price sheets, explanation of single vendor, etc.). • Purchases should be distributed equitably among suppliers to the extent practicable. 	<ul style="list-style-type: none"> • SIBCR preferred vendors are encouraged. • Should obtain a minimum of 2 but recommend 3 written quotes (email is allowable). • Purchases should be distributed equitably among qualified suppliers to the extent practical.
>\$250,000 or more	<ul style="list-style-type: none"> • Same as Small Purchase/SAT above, <u>AND</u> • Contact SIBCR Accounting before proceeding with any purchasing activities. • Must conduct a formal written bid process. <ul style="list-style-type: none"> ◦ If a competitive bid, vendor selection should be awarded to the bidder whose proposal is most advantageous to the program with price being one of the factors. ◦ Sealed bids must select the vendor that meets the requirements and has the lowest bid. • Purchaser must complete the VJF. 	<ul style="list-style-type: none"> • Same as Small Purchase/SAT above

Appendix C
SIBCR Vendor Justification Form (VJF)

Purchase Order Number: _____ Vendor: _____

Please complete, sign and email this form with backup documentation to **accounting@sibcr.org**.

Purchased with (select one): ☐ Federal Funds or ☐ Non-Federal Funds

SIBCR requires vendor selection justification and price reasonableness verification for orders >\$25,000 purchased with federal funds.

All individuals making purchases on behalf of SIBCR must follow the conflict of interest standards outlined in Appendix A of the Procurement Policy as well as any of SIBCR's other existing conflict of interest policies, all available at <https://sibcr.org/policy-manual.html>. Purchases transferred onto federal funds must also meet these requirements.

Purchases made with federal funds may be subject to audit at any time. All such purchases must be made prudently and are subject to fair and reasonable pricing. Internal documentation such as purchase orders, invoices, copies of competitive quotes or proposals, or cost/price analysis must be provided to the SIBCR Accounting Office as justification of reasonable pricing for items >\$25,000.

ORDER THRESHOLDS
Check appropriate boxes, complete required fields and send to accounting@sibcr.org .
<div style="display: flex; align-items: flex-start;"><div style="margin-right: 10px;"><input type="checkbox"/></div><div><p>≤\$25,000 – Completion of a VJF is not required. Use of SIBCR preferred vendors are encouraged. <i>If purchasing supplies or services from the same vendor where the aggregate dollar amount of this purchase exceeds \$25,000, then use this VJF based on the aggregate dollar amount.</i></p></div></div>
<div style="display: flex; align-items: flex-start;"><div style="margin-right: 10px;"><input type="checkbox"/></div><div><p>>\$25,000-\$250,000 – Select vendor and quote type:</p><div style="margin-left: 20px;"><input type="checkbox"/> Competitive purchase/quote: Same items priced differently by several vendors. <i>Minimum of two written quotes are required, three preferred. Complete Sections A and B.</i></div><div style="margin-left: 20px; margin-top: 10px;"><input type="checkbox"/> Single Vendor: If only one quote is received, complete Sections A and B <u>and</u> provide a justification for the use of a single vendor.</div></div></div>
<div style="display: flex; align-items: flex-start;"><div style="margin-right: 10px;"><input type="checkbox"/></div><div><p>>\$250,000 – Select vendor and bid type:</p><div style="margin-left: 20px;"><input type="checkbox"/> Competitive purchase/bid: SIBCR must conduct a formal competitive bid process. Contact the SIBCR Accounting Office for further guidance before proceeding with obtaining bids.</div><div style="margin-left: 20px; margin-top: 10px;"><input type="checkbox"/> Sole Source Vendor: Procurement through solicitation of a proposal from only one source, therefore bypassing vendor and price competition. Complete Sections A and C and contact the SIBCR Accounting Office for further guidance.</div></div></div>
SECTION A- VENDOR SELECTION
<p>Competitive Bid: <i>Minimum of two bids required, three preferred. Retain copies of bids/quotes; send back-up documentation.</i></p>

Vendor A:			
Total Price:		Quote Contact:	
		Quote Date:	
Vendor B:			
Total Price:		Quote Contact:	
		Quote Date:	
Vendor C:			
Total Price:		Quote Contact:	
		Quote Date:	

SECTION B- SELECTION OF SOURCE & PRICE REASONABLENESS

Cost/ Price Analysis: For procurement >\$25,000 but ≤\$250,000, select one or more of the following statements to indicate that the quoted price was fair and reasonable.

- ☐ The quoted prices incorporate discounts not available to the general public and reflect substantial savings (e.g. contract partnership agreements, negotiated pricing, etc.).
- ☐ The quoted prices compare favorably to previous prices paid for the same or similar items, documented on PO number: _____ (must be documented)
- ☐ The quoted prices were reviewed as part of SIBCR's overall proposal by the federal sponsoring agency and found to be acceptable.
- ☐ The vendor has stated that the quoted prices are no greater than those charged to the vendor's most favored customer (e.g. VA, UW).
- ☐ The price was obtained from a current catalogue or standard printed price list.
- ☐ Quoted price was the least expensive among bids (see Section A).
- ☐ Item is only available from a single vendor for scientific reasons (for example, when a service or item is only available with the required quality from one source or only one source can provide the items or service in the time frame required).

Supply a justification for use of a single vendor:

SECTION C- NON-COMPETITIVE PROCUREMENT JUSTIFICATION

For items >
\$250,000.

- ☐ Item or service is available only from a single source worldwide.
- ☐ Public exigency or emergency will not permit a delay resulting from competitive solicitation.
- ☐ After solicitation of a number of sources, competition is determined inadequate.
- ☐ The federal awarding agency or prime awardee has expressly authorized noncompetitive proposals (prior approval must be documented).
- ☐ Item is only available from a single vendor for scientific reasons (for example, when a service or item is only available with the required quality from one source or only one source can provide the items or service in the time frame required).

Supply a justification of the circumstance(s) indicated above:

PI AUTHORIZATION

Signature: _____

Date: _____

Name (printed): _____

Email Address: _____

Telephone: _____