Effective: October 8, 1998

Policy 1998-04-A: *Procurement of Goods, Services, Supplies, and Construction*

See Also:
Procurement PASSHE Handbook

Adopted: October 8, 1998
Amended: April 8, 2004; January 19, 2012; October 18, 2023

A. Purpose

All procurement of goods, services, supplies, and construction for the Pennsylvania State System of Higher Education shall conform to the statutory requirements of the Commonwealth Procurement Code (Code), Title 62, Pennsylvania Consolidated Statutes; and Act 188 of 1982, Article XX-A, Title 24, Pennsylvania Unconsolidated Statutes. The State System will use the provisions contained in this policy to implement the Commonwealth Procurement Code. The provisions of the Code apply to the State System as a state-affiliated entity.

As part of its procurement activities, the State System is committed to creating a diverse and inclusive culture not only within its student population, staff, and faculty, but also within its supplier base through the provision of increased access and opportunities to the procurement opportunities of the State System.

B. Definitions

The following definitions apply to the State System.

Agency Head - The chancellor is the agency head for the State System, as referenced in the Code.

Contracting Officer - The chancellor, the president of each university, and their written designees are designated as contracting officers and, as such, are the only individuals authorized to procure goods, services, supplies, and construction; enter into and administer contracts; and make written determinations with respect to contracts for the State System.

Department - For those cases in which the State System, by virtue of its status as a state-affiliated entity, is granted similar authority to that assigned to the Department of General Services in the Code, “department” shall mean the agency head.

Fiscal Officer - The chancellor and the president of each university, or their designees, will appoint a fiscal officer, who shall be responsible for reviewing all procurements (except small purchases) for fiscal responsibility, budgetary appropriateness, and availability of funds.

Purchasing Agency - The State System is a purchasing agency as defined in the Code. The chancellor will act as, and assume the duties and responsibilities assigned to, the purchasing agency head.

All other definitions applicable to the procurement of goods, services, supplies, and construction shall be as defined in the Code.

C. Authority and Responsibilities of the Chancellor

The chancellor, as agency head, shall carry out the duties and responsibilities of that office as defined in the Code and this policy. These include:

1. Formulate implementing policies and procedures consistent with the Code and Title 24.
2. Delegate contract authority to System contracting officers consistent with System policies and procedures.
3. Audit and monitor implementation of the System's procurement program.
4. Make or authorize others to make emergency procurements as provided in the Code and Title 24.
5. Issue written decisions for all protests in a timely manner as directed in the Code.
6. When deemed appropriate in specific circumstances, issue letters of intent for construction contracts as allowed by the Code.
7. Establish due process procedures for hearing debarment actions and appoint a debarment board to conduct such hearings in accordance with those procedures.
8. Make the final determination for the agency in any suspension or debarment actions and issue written decision.
9. Promulgate procedures for the sale and/or disposal of surplus supplies in accordance with the provisions of Chapter 15 of the Code.
10. Promulgate procedures and minimum staffing and qualifications for administering contracts for construction, repair, renovation, and maintenance projects as allowed by law.
11. Delegate to each State System university the appropriate level of authority, as allowed by law, to undertake design, construction, repair, renovation, and maintenance projects. Authority will be commensurate with the demonstrated capability of the university's construction management and contract administration staff as compared to the minimum qualifications specified in procedures prepared by the Office of the Chancellor.
12. Establish standards and procedures for acceptable public notice.

D. Authorities and Responsibilities of State System Contracting Officers

State System contracting officers shall carry out the duties and responsibilities of that position as defined in the Code and this policy. These include:

1. The chancellor and the president of each university shall designate, in writing, signature authority for contracting officers and fiscal officers. Letters will specify fiscal limitations and types of contracting authority. Copies of signature authority letters will be submitted and maintained in the Office of the Vice Chancellor for Administration and Finance and the Office of Chief Counsel.

2. Comply with the provisions of the Code, Board of Governors' policies, and all applicable collateral statutes, including, but not limited to, the Prevailing Wage Act, Separations Act, Steel Act, State Adverse Interests Law, Reciprocal Limitations Act, and Ethics Act, when contracting for goods, services, supplies, and construction.
3. Determine the method of source selection and public notice to be given for each contract.
4. Achieve and maintain the qualifications and staffing required for delegation of authority to administer facilities projects as per standards and procedures developed in accordance with paragraphs C.10. and C.11.
5. Determine in writing the conditions justifying any procurement to be awarded by a process other than competitive sealed bidding, per Section 511 of the Code and State System procedures.
6. Determine the security, payments, and performance bonding required in each contract to ensure appropriate risk coverage for the System consistent with the Code and System policy. Provide copies to any person who makes an application for the copy.
7. Appoint members and constitute selection and negotiating boards for the procurement of design professional services in accordance with State System procedures.
8. Hear and issue findings on claims and/or disputes concerning administration of a contract. This authority does not include decisions for bid protests.
9. Cooperate fully in a timely manner with the Office of the Chancellor in any bid protest, claim, and/or dispute concerning solicitation, award, or administration of a contract.
10. Award contracts to the responsive, responsible bidder, responder, or proposer (plural in the case of solicitations seeking multiple awards) who best meets the State System's needs in terms of cost and other factors as defined in the solicitation.

E. Other Authorities and Duties

1. The appointed fiscal officer of each State System institution, and the Office of the Chancellor for Office of the Chancellor procurements, will review and approve all procurements for fiscal responsibility, budgetary appropriateness, and availability of funds. Also, at his or her option, this officer may serve as a nonvoting member of an evaluation committee for requests for proposals or similar contract bidding, or a selection committee for acquisition of services.
2. In contracts requiring signature by two authorized State System officials, the individual signing as the contracting officer shall be a different individual than the one signing as the fiscal officer.
3. The provisions of Section 514 of the Code, entitled Small Procurements, shall be set at the maximum authorized by law for services, supplies, and construction.