

Purchase Requisition & Purchase Order Policy

Effective Date: July 9, 2012

Policy Statement

The following provides policy guidance to faculty, staff, students and others with respect to the use of a Purchase Requisition to establish the request for goods and services for use by a school or department of the University. The Purchase Requisition will then be converted to a Purchase Order after receiving the required approvals.

Reason for the Policy

The policy ensures that those responsible for issuing requests for goods and services through the University financial system (ARC) understand the requirements and process for these requests. The policy is designed to maximize the efficiency and convenience of the purchasing process, consistent with good business practices and in full compliance with all applicable federal regulations.

Primary Guidance to Which This Policy Responds

This policy responds to all applicable Federal procurement laws and regulations, including but not limited to OMB Circular A-110 (see Appendix 2) and the Federal Acquisition Regulation (FAR) (see Appendix 1).

Responsible University Office & Officer

Responsible University Office: Purchasing

Responsible University Officer: Vice President for Procurement Services

Who Is Governed By This Policy

This policy applies to everyone working at the University, or working on behalf of the University, who issues requests for goods and/or services through ARC.

Who Should Know This Policy

All University employees or others responsible for any aspect of purchasing goods and services on behalf of the University should be familiar with and guided by this policy.

Exclusions & Special Considerations

Facilities specific engagements (Morningside and CUMC) that utilize Task Order or Term Agreement suppliers up to \$5,000 do not require the issuance of a Purchase Order.

Policy Text

What is a Purchase Requisition?

A requisition is a formal request to buy a good or service. Requisitions are documented and routed for approval within the University's Finance System (ARC). A purchase requisition typically contains supplier information, requested product or service information, catalog number, date, department, delivery information, and often budget information. Created in ARC, a requisition, after being provided the appropriate approvals as well as submission of supporting documentation through the Purchasing Electronic Document Management (EDM) system, generates a Purchase Order (PO) that is dispatched to the supplier. The information on the purchase order is used to fulfill the order.

There are 2 types of Purchase Requisitions:

1. **Special Item** – these are created using the “Special Item” option in ARC when creating a requisition and are for goods and services that do not have term dates (start and end date) associated with them.
2. **Fixed Cost** – these are created using the “Fixed Cost” option in ARC when creating a requisition that has a specific start and end date (e.g. consultants)

What is a Purchase Order (PO)?

A Purchase Order is a document, based on a requisition that is issued by the University's Purchasing Office indicating the type, description, quantities and agreed-upon price for a product or service. When accepted by the supplier it forms an agreement between the University and the supplier.

There are 2 types of Purchase Orders:

1. **Central PO** – these are Purchase Orders that require Purchasing approval prior to being sourced to a supplier and dispatched to that supplier.
2. **Auto-sourced PO** – these are Purchase Orders that do not require Purchasing approval prior to be sourced and dispatched to suppliers and specifically applies to suppliers that have University Wide Purchasing Agreements (UWPAs) with the University.

What is a Change Order (CO)?

A Change Order represents a modification requested by a department of an existing Purchase Order. This change can be:

- Updated quantity
- Change in pricing
- Delivery date
- Account modification
- Cancellation of a PO

Change requests to a Scope of Work, services, contract extensions and supplier name must be completed through the initiation of a new Purchase Requisition.

Overview of the Purchasing Process

Requisition Lifecycle:



1. The Requestor creates a requisition
2. The Requestor submits documents that support the requisition into the Purchasing EDM
3. The requisition is routed to the next approval step and a pre-encumbrance is generated for the general ledger.
4. Requisition is budget checked by ARC
5. Requisitions for certain categories require prior approval based on the following categories:
 - a. Restricted – these include hazardous materials, radioactive commodities, refrigeration, ethyl alcohol, lasers, etc. and are provided approval in ARC by EH&RS.
 - b. Capital Equipment – goods valued at or above \$5,000 require approval by the property management group in the Controller’s Office
 - c. Vehicles – this is managed through Risk Management
 - d. Photocopiers – this is managed through Print Services
 - e. Research Animals and Equipment/Supplies – this is managed through ICM
 - f. Executive Recruiters - this is managed through OMB
 - g. Medical Software - this is managed through CUMC IT
6. Once the necessary prior approvals are received, the requisition automatically routes to the departmental approver for review and approval.
7. Requisitions must then be reviewed and approved by the Purchasing Department as the final step before they are dispatched to the supplier.
8. After the requisition has been provided final approval, ARC generates a purchase order that is sent to the supplier. Purchase orders are transmitted via email or fax to the suppliers.
9. The Supplier delivers the goods and/or services to the originating department and sends the invoice. In those cases where receiving is required (see the Purchasing Receiving Policy) the department will need to receive in ARC to authorize the payment.

Modifying or Cancelling a Purchase Order

When is a Purchase Requisition required?

A purchase requisition is an authorized request for the purchase of goods or services through the Purchasing Department. The following are examples of when a requisition is required.

- You are making a purchase that cannot be accomplished through the use of the University Purchasing Card (Pcard)
- The supplier has requested the issuance of a formal Purchase Order
- You are purchasing a Restricted Commodity (see the [Restricted Commodity policy](#))
- You are requesting services
- Lease finance requests

When is a Purchase Requisition **not** required?

- Honoraria
- Utilities
- Subscriptions
- Banking & Real Estate Transactions
- Temporary staffing (completed through CUHR)
- Travel Reimbursements and direct payments to travel-related vendors

Required Elements of a Purchase Requisition

Instructions to complete a purchase requisition in ARC can be found in [ARC training](#). Once the Purchasing staff receives your requisition, they will review it for completeness. Requisitions will be returned for incorrect cost center, incomplete or vague descriptions or specifications, no intended purpose or questionable intended purpose or improper cost center signature authority. If everything is in order, the requisition is prioritized and processed. .

Before entering a requisition in ARC, be sure you have the following information:

1. Name of Requestor
2. The requisition should state a complete description of item(s)/service(s) being ordered. Specifications should be concise, but complete in detail. The catalog number or model number alone is not generally sufficient to process the order.
3. Quantity and unit of measurement
4. Either estimated or actual cost. Note: Estimated cost should be reasonably accurate and based on established parameters within supplier quote that can be referenced.
5. A brief statement of the intended use or purpose for which the requisitioned goods or service is required
6. Vendor contact name and phone number
7. Complete chartfield (budget) information

8. A suggested source for the goods or service. Note: the source is suggested and the Purchasing Department will make the final determination on the supplier used.
9. Any special delivery instructions.

Roles, Responsibilities, and Authorities

Departmental Approver

- Approves the purchase of goods and services
- Acknowledges that purchased goods and services are in accordance with University policies and procedures and are charged to the appropriate account

Requester

- Requests goods and services to be purchased
- Provides any necessary details and specifications
- Provides chartfield information for expenses as necessary

Initiator

- Prepares requisition for goods and services based on direction from the Requester
- Determines that costs of requested goods and services are reasonable and allowable for the funds being used to pay for the items
- Submits requisition into ARC workflow for required approvals
- Completes correction requests made by departmental approvers and Purchasing

Purchasing Officer (Central Purchasing)

- Performs vendor analysis, may obtain bids and quotes, negotiates contracts, and supports user/supplier customer service functions
- Reviews requisitions for completeness and compliance. Works with Initiator and Departmental Approvers to resolve outstanding items
- Approves requisition, allowing the requisition to be converted to a purchase orders

Receiver

- Provides receipt acknowledgement in ARC for goods and services delivered to the University

Requestor

Vendor Management

- Establishes and maintains the vendor database for the University

Contact

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Cross Reference to Related Policies

[**Procurement Mechanism Guide**](#)

[**Restricted Commodities**](#)

[**Receiving Policy**](#)

[**P-Card Policy**](#)

[**Procurement Mechanism Policy**](#)

[**Task Order Policy**](#), Section 1.2 of the Vendor Qualification and Purchasing of Facilities Services

[**Modifying or Cancelling a Purchase Order**](#)

APPENDIX 1 FEDERAL ACQUISITION REGULATIONS: SPECIAL TERMS AND CONDITIONS

FAR AND DFARS “FLOW-DOWN” CLAUSES APPLICABLE TO PURCHASE ORDERS INVOLVING FUNDS FROM A FEDERAL GOVERNMENT CONTRACT

If this purchase order involves funds from a Federal government contract—or funds from a subcontract at any tier relating to a Federal government contract—the following clauses from the Federal Acquisition Regulation (“FAR”) and the Defense Federal Acquisition Regulation Supplement (“DFARS”) are incorporated into this purchase order by reference where applicable and form a part of the terms and conditions of this purchase order. The full text of the FAR clauses may be found at <http://www.arnet.gov/far/>. The full text of the DFARS clauses may be found at <http://farsite.hill.af.mil/VDFDARA.htm>. Seller agrees to flow down all applicable FAR and DFARS clauses to lower-tier subcontractors.

Where necessary to make the language of the FAR and DFARS clauses applicable to this purchase order, the term “contractor” shall mean “vendor,” the term “contract” shall mean “this purchase order,” and the terms “government,” “contracting officer,” and equivalent terms and phrases shall mean “the University.”

CLAUSES APPLICABLE TO PURCHASES OF “COMMERCIAL ITEMS”

The following clauses apply to purchase orders involving “commercial items,” a term defined at FAR 52.202-1. In general, a “commercial item” is a product or service that is available to the general public in the commercial marketplace. Only the following clauses are required for purchases of “commercial items”; however, the University may choose to flow down a minimum number of additional clauses when necessary to satisfy the University’s contractual obligations.

FAR 52.202-1 Definitions (Dec. 2001)

FAR 52.219-8 Utilization of Small Business Concerns (Oct. 2000)

FAR 52.222-26 Equal Opportunity (Apr. 2002) (subparagraphs (b)(1)-(b)(11) only)

FAR 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec. 2001)

FAR 52.222-36 Affirmative Action for Workers with Disabilities (June 1998)

FAR 52.244-6 Subcontracts for Commercial Items (Apr. 2003)

FAR 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr. 2003)

DFARS 252.225-7014 Preference for Domestic Specialty Metals, Alternate I (Apr. 2003)

DFARS 252.244-7000 Subcontracts for Commercial Items and Commercial Components (DOD Contracts) (March 2000)

DFARS 252.247-7023 Transportation of Supplies by Sea (May 2002)

DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (March 2000)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS REGARDLESS OF DOLLAR VALUE

FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Apr. 1991)

FAR 52.204-2 Security Requirements (Aug. 1996) (applies when the subcontract or purchase order involves access to information classified “Confidential,” “Secret,” or “Top Secret”)

FAR 52.208-8 Required Sources for Helium and Helium Usage Data (Apr. 2002)

FAR 52.215-15 Pension Adjustments and Asset Reversions (Dec. 1998) (applies when it is anticipated that the subcontract or purchase order will require either the submission of cost or pricing data OR preaward or postaward cost determinations subject to FAR Part 31)

FAR 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Oct. 1997) (applies when it is anticipated that the subcontract or purchase order will require either the submission of cost or pricing data OR preaward or postaward cost determinations subject to FAR Part 31)

FAR 52.215-19 Notification of Ownership Changes (Oct. 1997) (applies when it is anticipated that the subcontract or purchase order will require either the submission of cost or pricing data OR preaward or postaward cost determinations subject to FAR subpart 31.2)

FAR 52.222-21 Prohibition of Segregated Facilities (Feb. 1999)

FAR 52.222-26 Equal Opportunity (Apr. 2002) (subparagraphs (b)(1) through (b)(11) only)

FAR 52.222-41 Service Contract Act of 1965, As Amended (May 1989)

FAR 52.223-7 Notice of Radioactive Materials (Jan. 1997) (applies when radioactive material is involved)

FAR 52.224-2 Privacy Act (Apr. 1984) (applies when the design, development, or operation of any system of records on individuals is required to accomplish an agency function)

FAR 52.225-8 Duty-Free Entry (Feb. 2000) (applies when supplies entitled to duty-free entry will be imported into the customs territory of the United States OR when other foreign supplies in excess of \$10,000 may be imported into the customs territory of the United States)

FAR 52.225-13 Restrictions on Certain Foreign Purchases (June 2003)

FAR 52.227-9 Refund of Royalties (Apr. 1984) (applies when the amount of royalties reported during the negotiation of the subcontract or purchase order exceeds \$250)

FAR 52.227-10 Filing of Patent Applications—Classified Subject Matter (Apr. 1984) (applies when the subcontract or purchase order is likely to involve classified subject matter)

FAR 52.227-11 Patent Rights—Retention by the Contractor (Short Form) (June 1997) (applies when the subcontract or purchase order involves experimental, developmental, or research work to be performed by a small business firm or domestic nonprofit organization)

FAR 52.227-12 Patent Rights—Retention by the Contractor (Long Form) (Jan. 1997) (applies when the subcontract or purchase order involves experimental, development, or research work NOT to be performed by a small business firm or domestic nonprofit organization)

FAR 52.227-13 Patent Rights—Acquisition by the Government (Jan. 1997) (applies when the subcontract or purchase order involves experimental, developmental, or research work)

FAR 52.228-3 Workers' Compensation Insurance (Defense Base Act) (Apr. 1984)

FAR 52.228-4 Workers' Compensation and War-Hazard Insurance Overseas (Apr. 1984)

FAR 52.228-5 Insurance—Work on a Government Installation (Jan. 1997) (applies when the subcontract or purchase order requires work on a Federal government installation)

FAR 52.234-1 Industrial Resources Developed Under Defense Production Act Title III (Dec. 1994)

FAR 52.237-7 Indemnification and Medical Liability Insurance (Jan. 1997)

FAR 52.244-6 Subcontracts for Commercial Items (Apr. 2003) (applies when the subcontract or purchase order involves the acquisition of “commercial items” as that term is defined in FAR 52.202-1)

FAR 52.245-18 Special Test Equipment (Feb. 1993) (applies when the subcontract or purchase order involves “special test equipment” as defined in the clause)

FAR 52.247-63 Preferences for U.S.-Flag Air Carriers (June 2003) (applies when the subcontract or purchase order may involve international air transportation)

FAR 52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels (Apr. 2003) (excluding (e)(4)) (applies when the subcontract or purchase order involves the transport of equipment, materials, or commodities in ocean vessels)

DFARS 252.204-7000 Disclosure of Information (Dec. 1991)

DFARS 252.223-7006 Prohibition on Storage and Disposal of Toxic and Hazardous Materials (Apr. 1993) OR Alternate I (Nov. 1995) (applies when the subcontract or purchase order requires, may require, or permits the subcontractor to treat or dispose of non-DOD-owned toxic or hazardous materials)

DFARS 252.225-7014 Preference for Domestic Specialty Metals (Apr. 2003) (applies to subcontracts or purchase orders involving “specialty metal” as defined in the clause) subcontract or purchase order involves technical data for noncommercial items that is to be delivered to the government)

DFARS 252.227-7014 Rights in Noncommercial Computer Software and Noncommercial Computer Software Documentation (June 1995) (applies when the subcontract or purchase order involves noncommercial computer software or computer software documentation that is to be delivered to the government)

DFARS 252.227-7016 Rights in Bid or Proposal Information (June 1995)

DFARS 252.227-7019 Validation of Asserted Restrictions—Computer Software (June 1995) (applies only when the subcontract or purchase order involves furnishing computer software to the government)

DFARS 252.227-7034 Patents—Subcontracts (Apr. 1984) (applies when the subcontract or purchase order involves experimental, developmental, or research work to be performed by other than a small business firm or nonprofit organization)

DFARS 252.227-7037 Validation of Restrictive Markings on Technical Data (Sept. 1999) (applies when the subcontract or purchase order involves the delivery of technical data, except when the purchase relates to “commercial items” as defined in FAR 52.202-1)
DFARS 252.235-7003 Frequency Authorization (Dec. 1991) (applies when the subcontract or purchase order involves the development, production, construction, testing, or operation of a device for which a radio frequency authorization is required)
DFARS 252.247-7023 Transportation of Supplies by Sea (May 2002) (paragraphs (a) through (e) and (h))
DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (March 2000)

CLAUSES APPLICABLE TO CONSTRUCTION WORK WITHIN THE UNITED STATES REGARDLESS OF VALUE

FAR 52.222-6 Davis-Bacon Act (Feb. 1995)
FAR 52.222-7 Withholding of Funds (Feb. 1988)
FAR 52.222-8 Payrolls and Basic Records (Feb. 1988)
FAR 52.222-9 Apprentices and Trainees (Feb. 1988)
FAR 52.222-10 Compliance with Copeland Act Requirements (Feb. 1988)
FAR 52.222-11 Subcontracts (Labor Standards) (Feb. 1988)
FAR 52.222-12 Contract Termination—Debarment (Feb. 1988)
FAR 52.222-13 Compliance with Davis-Bacon and Related Act Regulations (Feb. 1988)
FAR 52.222-14 Disputes Concerning Labor Standards (Feb. 1988)
FAR 52.222-15 Certification of Eligibility (Feb. 1988)
FAR 52.222-17 Labor Standards for Construction Work—Facilities Contracts (Feb. 1988)
FAR 52.222-27 Affirmative Action Compliance Requirements for Construction (Feb. 1999) (for subcontracts in excess of \$10,000 involving the construction trade)
DFARS 252.222-7000 Restrictions on Employment of Personnel (March 2000)
DFARS 252.247-7024 Notification of Transportation of Supplies by Sea (March 2000)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS EXCEEDING \$10,000

FAR 52.222-36 Affirmative Action for Workers with Disabilities (June 1998)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS FOR \$25,000 OR MORE

FAR 52.209-6 Protecting the Government’s Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (July 1995)
FAR 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec. 2001)
FAR 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec. 2001)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS EXCEEDING \$100,000

FAR 52.203-6 Restrictions on Subcontractor Sales to the Government (July 1995)
FAR 52.203-7 Anti-Kickback Procedures (July 1995) (excluding subparagraph (c)(1))
FAR 52.203-12 Limitation on Payments to Influence Certain Federal Transactions (June 2003)
FAR 52.215-2 Audit and Records—Negotiation (June 1999)
FAR 52.215-14 Integrity of Unit Prices (Oct. 1997) (excluding paragraph (b))
FAR 52.222-4 Contract Work Hours and Safety Standards Act—Overtime Compensation (Sept. 2000) (paragraphs (a) through (d))
FAR 52.223-13 Certification of Toxic Chemical Release Reporting (June 2003)
FAR 52.223-14 Toxic Chemical Release Reporting (June 2003) (except paragraph (e))
FAR 52.227-1 Authorization and Consent (July 1995)
FAR 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Aug. 1996)
FAR 52.248-1 Value Engineering (Feb. 2000)
DFARS 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies (March 1999)
DFARS 252.209-7000 Acquisition from Subcontractors Subject to On-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty (Nov. 1995)
DFARS 252.247-7023 Transportation of Supplies by Sea (May 2002)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS EXCEEDING \$500,000

FAR 52.219-9 Small Business Subcontracting Plan (Jan. 2002)

FAR 52.230-2 Cost Accounting Standards (Apr. 1998)

FAR 52.230-3 Disclosure and Consistency of Cost Accounting Practices (Apr. 1998)

FAR 52.230-5 Cost Accounting Standards—Educational Institutions (Apr. 1998)

FAR 52.230-6 Administration of Cost Accounting Standards (Nov. 1999)

DFARS 252.249-7002 Notification of Proposed Program Termination or Reduction (Dec. 1996)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS EXCEEDING \$550,000

FAR 52.214-26 Audit and Records—Sealed Bidding (Oct. 1997) (applies only if the Federal government contract was awarded by sealed bidding and the subcontract is expected to exceed the threshold in FAR 15.403-4(a)(1) for submission of cost or pricing data, currently set at \$550,000)

FAR 52.214-28 Subcontractor Cost or Pricing Data—Modifications—Sealed Bidding (Oct. 1997) (applies only if the Federal government contract was awarded by sealed bidding and the subcontract is expected to exceed the threshold in FAR 15.403-4(a)(1) for submission of cost or pricing data, currently set at \$550,000)

FAR 52.215-12 Subcontractor Cost or Pricing Data (Oct. 1997)

FAR 52.215-13 Subcontractor Cost or Pricing Data—Modifications (Oct. 1997)

CLAUSES APPLICABLE TO PURCHASES OF NONCOMMERCIAL ITEMS EXCEEDING \$1 MILLION

DFARS 252.211-7000 Acquisition Streamlining (Dec. 1991)

ADDITIONAL CLAUSES APPLICABLE TO THIS PURCHASE ORDER

FAR 52.202-1 Definitions (Dec. 2001)

FAR 52.211-5 Material Requirements (Aug. 2000)

FAR 52.211-15 Defense Priority and Allocation Requirements (Sept. 1990)

FAR 52.214-27 Price Reduction for Defective Cost or Pricing Data—Modifications—Sealed Bidding (Oct. 1997)

FAR 52.215-10 Price Reduction for Defective Cost or Pricing Data (Oct. 1997)

FAR 52.215-11 Price Reduction for Defective Cost or Pricing Data—Modifications (Oct. 1997)

FAR 52.219-8 Utilization of Small Business Concerns (Oct. 2000)

FAR 52.222-20 Walsh-Healey Public Contracts Act (Dec. 1996)

FAR 52.225-1 Buy American Act—Supplies (June 2003)

FAR 52.225-3 Buy American Act—North American Free Trade Agreement—Israeli Trade Act (June 2003)

FAR 52.225-5 Trade Agreements (June 2003)

FAR 52.225-11 Buy American Act—Construction Materials Under Trade Agreements (June 2003)

FAR 52.225-15 Sanctioned European Union Country End Products (Feb. 2000)

FAR 52.227-14 Rights in Data—General (June 1987)

DFARS 252.219-7003 Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan (DOD Contracts) (Apr. 1996)

DFARS 252.225-7001 Buy American Act and Balance of Payments Program (Apr. 2003)

DFARS 252.225-7036 Buy American Act—North American Free Trade Agreement Implementation Act—Balance of Payments Program (Apr. 2003)

OMB CIRCULAR A-110, APPENDIX A CONTRACT PROVISIONS

All contracts awarded by a recipient, including small purchases [that do not meet the simplified acquisition threshold], shall contain the following provisions as applicable:

1. Equal Employment Opportunity - All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

2. Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c) - All contracts and sub grants in excess of \$2000 for construction or repair awarded by recipients and sub recipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or sub recipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to the Federal awarding agency.

3. Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7) - When required by Federal program legislation, all construction contracts awarded by the recipients and sub recipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the Federal awarding agency.

4. Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333) - Where applicable, all contracts awarded by recipients in excess of \$2000 for construction contracts and in excess of \$2500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1 ½ times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. Rights to Inventions Made Under a Contract or Agreement - Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

6. Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended - Contracts and sub grants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier

certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

8. Debarment and Suspension (E.O.s 12549 and 12689) - No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or No procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold [now the simplified acquisition threshold] shall provide the required certification regarding its exclusion status and that of its principal employees.