



Stony Brook Foundation

TITLE: Stony Brook Foundation Procurement of Goods and Services Policy	POLICY CATEGORY: Stony Brook Foundation, Inc.
ISSUING AUTHORITY: Stony Brook Foundation, Inc.	RESPONSIBILITY: Stony Brook Foundation, Inc.
PUBLICATION DATE: 12/01/2024	NEXT REVIEW DATE: 12/01/2027

POLICY STATEMENT/BACKGROUND

The Stony Brook Foundation Procurement of Goods and Services Policy (the “Policy” or “Procurement Policy”) sets forth the standards and guidelines for the procurement of supplies, equipment, construction and services by the Stony Foundation, Inc. (the “Foundation” or “SBF”) including prudent vendor selection, purchasing methods, authorizations, receipt of goods and services, required documentation and ethical standards. The Policy and related procedures are intended to ensure the timely, ethical and cost-effective acquisition of goods and services, while endeavoring to maximize the Foundation’s purchasing power, streamline business practices, maintain compliance with related Foundation policies and reduce potential institutional risks associated with contracting and other procurement-related activities.

This Policy applies to all Stony Brook University (“SBU” or “University”) State or Research Foundation (“RF”) employees responsible for procuring goods and services using Foundation funds. Employees are required to follow this Policy when researching and selecting a proposed vendor, preparing purchase requisitions or submitting payments for invoicing. Stony Brook University, the Research Foundation and other university affiliated entities have their own procurement policies and requirements that must be consulted when procuring goods and services using their funding sources.

POLICY

The purchase or lease of any goods or services payable or reimbursable by the Foundation must be made in accordance with this Policy and any other applicable Foundation policies (such as the SBF Business Meals and Entertainment Policy and the SBF Travel Expense Policy). In addition, goods and services purchased with donor-funded SBF accounts must fully comply with the respective donor’s terms and conditions as documented during the Foundation’s acceptance of the donor funding. This includes expenditures from grants or other sponsored funds.

Unless waived in writing for a specific purchase by the SBF Executive Director or his or her designee in advance of a purchase, this Policy is required for the Foundation to fund the requested goods or services.



ETHICAL STANDARDS

The following ethical standards shall govern the performance, behavior and actions of the Foundation and its employees, officers and agents who are engaged in any aspect of the procurement process, including but not limited to the purchasing of goods and services, awarding of contracts and grants or administration and supervision of contracts. The ethical standards included below are intended to be in addition to the provisions of the [SUNY Conflict of Interest Policy](#).

- **Principle 1:** No employee, officer or agent of the Foundation shall participate in the selection, award or administration of a Foundation bid or contract if he/she/they have an actual or potential conflict of interest. Conflicts of interest may arise if/when an employee, officer or agent of the Foundation has a financial, family or other beneficial interest in the vendor selected or considered by the Foundation for a contract award.
- **Principle 2:** No employee, officer or agent of the Foundation or acting on behalf of the Foundation, shall do business with and award contracts to, or show any form of favoritism toward a member of his/her/their immediate family, spouse's family or to any company or vendor who either employs or has a relationship to a family member.
- **Principle 3:** No employee, officer or agent of the Foundation or acting on behalf of the Foundation, shall award a contract or bid that violates Federal, State or local procurement laws that are relevant and applicable to the Foundation or Foundation policies established to maximize competition among qualified vendors.
- **Principle 4:** The Foundation's employees, officers or agents shall neither solicit nor accept gratuities, gifts, consulting fees, trips, favors or anything bearing a monetary value from a Foundation vendor, potential vendor or bidder, or from the family or employees of a vendor, potential vendor or bidder, or from any party to a sub-agreement or ancillary contract.
- **Principle 5:** As permitted by law, rule, policy or regulation, the Foundation shall pursue appropriate legal, administrative or disciplinary action against an employee, officer, agent, vendor or vendor's agent who is alleged to have committed, has been convicted of or pled no contest to a procurement related infraction with respect to the Foundation. This includes the use or expenditure of donor-funded accounts for reasons other than agreed upon in the gift documentation governing the account.

BID AND PROPOSAL REQUIREMENTS

All procurement transactions utilizing Foundation funds shall be conducted in a manner that promotes competition to the maximum extent possible. The Foundation encourages competition among suppliers in providing goods and services to the Foundation, thereby



assuring that the mix of quality, service, and price best matches the stated needs of the programs and activities that are supported through Foundation funds. Except as otherwise provided in this Policy, bids and proposals are required based on the total dollar amount of the submitted requisition per the chart below. Whenever solicited, a record of bids and proposals solicited must be collected and maintained in the procurement files. The Foundation encourages vendors to submit bids and proposals electronically for easy recordkeeping.

\$50,000 or less	Solicitation of bids or proposals is not required.
\$50,001 to \$99,000*	A minimum of two (2) written bids or proposals are required.
\$100,000 or more*	A minimum of three (3) written bids or proposals are required.

* Requisitions may not be split into smaller amounts to circumvent these thresholds.

Bids and proposals are not required under the following circumstances, though some additional documentation may be required along with your requisition:

- Use of Ongoing Vendors: The Foundation retains vendors where it believes that the cost of services and level of service provided is appropriate. The Foundation regularly engages in price negotiations with vendors before entering contractual relationships and benefits from continuity of services, efficiency in planning and reliable, consistent execution. As part of the prudent management of Foundation assets, the Foundation does not believe that the start-up costs of regularly commencing new vendor relationships or requiring repeated competitive bidding processes for ongoing vendors is warranted in all cases.
- Single Source Procurements: A single source procurement is a purchase from a supplier that is chosen without soliciting the minimum number of bids or proposals, even though competition exists, because of limiting factors such as the experience/service of the supplier, the quality of the product or service, market conditions, vendor availability or a critical deadline. Single source procurements require justification of selection that includes a clear and accurate description of the technical and programmatic requirements for the material, product or specialized services being procured, along with a statement of reasonableness of cost from the ordering entity as well as approval of the Executive Director or his/her/their designee.



Stony Brook Foundation

- **Sole Source Procurements:** A sole source procurement is a purchase from the only available supplier of the product or service. Sole source procurements require justification of selection that includes a clear and accurate description of the technical and programmatic requirements for the material, product or specialized services being procured, along with a statement of reasonableness of cost from the ordering entity as well as approval of the Executive Director or his/her/their designee. Sole source procurements should not be justified on the basis of a lack of advanced planning.

Depending on the goods or services required, the decision criteria may not be cost alone. In addition to cost-effectiveness, compliance with mandatory requirements (such as insurance requirements), product quality, supplier expertise/experience, timing of delivery, staff and/or technical support availability/quality, the supplier's financial resources and/or facilities, and/or other criteria may be relevant in particular circumstances.

For requisitions that require bids and proposals, the Foundation will make determinations based on which bidder is most responsive to the solicitation or request for proposal ("RFP") and whose proposal is the most advantageous to the Foundation based on pricing, quality, timeliness and any additional factors outlined in the RFP materials. The Foundation reserves the right to engage in any and all vendors.

To avoid any unfair advantage or potential conflict of interest, any contractors utilized to develop or draft specifications, requirements, statements of work, invitations for bid ("IFB"), RFPs, or other materials to support the bidding process shall be excluded from competing for such procurements.

INSURANCE AND INDEMNIFICATION REQUIREMENTS

For bids and contracts that include on-site services, a Certificate of Insurance ("COI") may be required. In these instances, the following information must be included with the COI:

- Trustees, officers, employees and volunteers must be included as additional insured on a primary and non-contributory basis.
- In addition, the following entities and statements must be added as additional insured:
 - Stony Brook Foundation, Inc.
 - Stony Brook Foundation Realty, Inc. ("SBFR")
 - State of New York
 - State University of New York ("SUNY")
 - Stony Brook University
- Certificate Holder information must be listed as:
Stony Brook Foundation
100 Nicolls Road
270 Administration Building
Stony Brook, NY 11794-1188



Stony Brook Foundation

The vendor shall defend, indemnify and hold harmless the Foundation, SBFR, the State of New York, SUNY, and the University from and against claim, damage, fine, judgment, expense or charge suffered, imposed, assessed or incurred for any violation or occasioned by an act, neglect or omission of the vendor, its officers, employees, agents, affiliates or sub-contractors.

If any damage or injury is caused to the equipment or facilities by the vendor hereunder, or by the negligence or improper conduct of the vendor, its agents, subcontractors, or employees or employees, the vendor shall cause the said damage or injury to be repaired as quickly as possible at its own cost and expense. Notwithstanding the above, to the extent that the loss is due to the negligence of the Foundation or the University, its officers or employees, the vendor shall be relieved of its responsibility for the replacement or repair.

In no event shall anything contained in the vendor's agreement be deemed to impose liability of any nature upon the vendor for loss or damage to persons or property, to the extent caused by the Foundation and/or the University, its officers or employees or by any third party over which the vendor exercises no control.

OVERVIEW OF DISBURSEMENTS AND PAYMENTS

Foundation funds may be spent from unrestricted, restricted, cost centers and agency accounts, so long as the purpose of the expenditure complies with the purpose for which the account was established, and for donor funds, compliance with the donor's intent when the gift/grant was accepted. It is the responsibility of the Account Director and the Signatory Delegates to ensure that these requirements are met at the time that the funds are committed and submitted for payment and disbursement. Account Directors and Signatory Delegates are also responsible for ensuring that purchases are not made in excess of their budgetary allotment of funds and must maintain all records of purchase orders. Expenditures that do not align with the fund's purpose will be subject to additional review by the Foundation and may result in revocation of account privileges and/or referral to the University's internal audit department.

Original receipts, invoices, IRS W-9 Form and any other related documentation to support the payment, along with justification must accompany the [Requisition Form](#) for expenditure of funds from any Foundation account. The justification must include details about the payment request and how the payment will benefit the department, including how it fulfills donor intent if applicable. Payment requests for travel, business meals or entertainment expense reimbursements must follow the [Travel Expense Policy](#) and [Business Meals & Entertainment Policy](#).

For situations in which the Account Director is seeking reimbursement, the immediate supervisor must approve the reimbursement. Any Requisition Form not signed by the Account Director or Signatory Delegate will be returned for an appropriate signature before



the transaction is processed. Requisition Forms submitted for grant accounts require the review and approval of the Foundation.

Deposits and Prepayments

Due to the inherent risks associated with deposits or pre-payments, the Foundation's policy is to avoid pre-paying any orders, in part or in full, in advance of the receipt of the goods or services. If the only supplier of goods or services requires a pre-payment or deposit, or if the nature of the goods or services requires pre-payment (such as a maintenance agreement, software licensing fee, etc.), this must be appropriately documented in the requisition materials. The Account Director or Signatory Delegate from the requisitioning department is required to conduct significant due diligence on the bidders or potential providers in order to ascertain the supplier's ability to perform under the contract in situations when pre-payment is involved. Deposits or payments made to suppliers that fail to perform are at the risk of the requisitioning department.

Receipt of Goods and Services

The Account Director or Signatory Delegate from the requisitioning department is responsible for verifying the actual receipt of goods and services in the manner designated by the Foundation. Individuals acknowledging the receipt of goods are confirming that the purchased goods and services have been received in the nature, quality and quantity ordered.

Property, equipment and other assets purchased with Foundation funds or donated to the Foundation will be transferred to the Stony Brook University property control system in most cases. In these instances, the Account Director or Signatory Delegate are responsible for following the University's policies and procedures and completing the necessary documentation regarding the safeguarding of assets.

Blanket Order Requests

Foundation-funded blanket order requests should be for expenditures with a specific vendor over a period of time, not for one-time purchases. Foundation-funded blanket order requests must be submitted in accordance with all Foundation Procurement procedures. In addition, the following guidelines must be followed:

- For blanket order requests that are \$50,000 or more, a written justification must be provided to the Foundation's procurement office.
- Blanket Order requests for any type of food and beverage purchases will not be processed.
- The Account Director or Signatory Delegate must provide an approved invoice to the Foundation indicating that goods and services have been received and payment is authorized.
- Supporting documentation for all blanket orders (quotes, justifications, etc.) must be attached where appropriate.



Stony Brook Foundation

- Blanket orders will be terminated once the estimated encumbrance has been expended.
- To request additional funding, a change order request may be made by submitting written justification to the Foundation's procurement office.
- Blanket orders may not extend beyond the term date of the designated award.

Non-Employee Disbursements

In addition to the spending policies above, the following guidelines are in place for disbursements for non-employees:

- Payments to individuals who do not bear the legal status as an employee but are contracted to perform services must be accompanied by the Foundation's [Independent Contractor/Non-Employee Payment Form](#)
- The completed form should be submitted to [Stony Brook University Human Resources](#) for review and approval prior to submission to Procurement for processing.
- Services rendered by State, RF, or Faculty Student Association employees should be processed as extra service via the respective payroll department.
- Payments to individuals for services rendered, honoraria, fellowships and student awards are considered reportable income and must include a social security number and payment address as required by the IRS. Employee awards are limited to the established institutional awards.
- The purchase or reimbursement of gift cards or savings bonds is not permitted by the Foundation.

DEFINITIONS

Account Assistant: An individual appointed by the Account Director. Once appointed has the authority to act on behalf of the Account Director to assign (through ERAS) Signatory Delegates, Report Recipients, Travelers and additional Account Assistants. Account Assistants do not have the authority to commit or spend account funds unless they are also designated as a Signatory Delegate.

Account Director: An Account Director is an individual assigned the responsibility and authority to oversee the management, allocation, and expenditure of funds within a designated account. This role includes ensuring that all spending complies with the fund's intended purpose, university policies, and applicable regulations. The Account Director is accountable for maintaining financial records, approving expenditures, and ensuring proper use of resources in line with the SBF's procurement and spending policies.

Signatory Delegate: A Signatory Delegate is an individual appointed by the Account Director, or Account Assistant, and has the authority to commit or spend account funds on behalf of the Account Director.

Conflict of Interest: A conflict of interest may occur when an individual's personal interests, such as family, friendships, financial or social factors, could compromise his/her/their



Stony Brook Foundation

judgment, decisions or actions in the workplace. A conflict of interest may influence an individual to choose personal gain over duties to their employer or exploit their position for personal gain in some way.

Non-Employee: An individual who does not bear the status of a State or RF employee who requires payment for services rendered.

CONTACTS

For additional information about this policy, please contact the Stony Brook Foundation:

Stony Brook Foundation

270 Administration Building
Stony Brook, NY 11794-1188
(631) 632-6300

Business Office (631) 632-6536

Accounts Payable (631) 632-4484

Purchasing (631) 632-2108

SBF_AP@Stonybrookfoundation.org

SBF_PO@Stonybrookfoundation.org

RELEVANT STANDARDS, CODES, RULES, REGULATIONS, STATUTES AND POLICIES

This Policy is intended to work in conjunction with other Stony Brook Foundation policies and procedures, including those listed below, as well as any other current or future policy. Nothing in this Policy should be interpreted as negating or overriding these other policies. Any situations arising where there may seem to be conflict among policies, the Executive Director or his or her designee should be consulted for clarification.

[Stony Brook Foundation Business Meals and Entertainment Policy](#)

[Stony Brook Foundation Travel Expense Policy](#)

ADDITIONAL LINKS

[Avid Xchange](#)

[Concur Website for SBF](#)

[Concur Log-in Page](#)

[Concur International Request QuickStart Guide](#)

[Concur Travel Expense Reimbursement QuickStart Guide](#)

[Concur Credit Card Reconciliation QuickStart Guide](#)

[ERAS](#)

[SBF Tax Exempt Form](#)

[Business Meals & Entertainment Requisition Form](#)

[Requisition Form Instructions](#)