



**Procurement, Contracts and
Materials Management**

Oregon State University
644 SW 13th Street
Corvallis, Oregon 97331

P 541-737-2067
oregonstate.edu

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To: Procurement File Tracker # 197787

From: Stephen Nelson, CPIM, CPPB, NIGP-CPP
Chief Procurement Officer



RE: Approval for Noncompetitive Procurements under OSU Procurement Standard 03-010 Update 4

In accordance with OSU Procurement Standard 03-010, section 5.2.1. subsection f. i., noncompetitive procurements using any funding, the university need not follow a competitive process, regardless of value, if acquiring goods, services and construction from a sole source with the approval of the Chief Procurement Officer. This memo serves as the Chief Procurement Officer's approval of a sole source for the following goods or services because due to their nature they are only available from a single source.

1. Price-regulated goods and services.

Means the rate or price for the goods or services being purchased is established by federal, state, or local regulatory authority (e.g. utilities.) Includes those goods or services being passed through a supplier, as long as the supplier is not marking up the price of the regulated goods or services. (e.g. postage cost regulated under the United States Postal Services passed through a meter service provider.)

2. Dues, registrations and membership fees.

Means dues, registrations and membership fees to professional organizations that are related to the focus area of the unit and through membership or participation supports the OSU mission or is in the best interest of the university.

3. Copyright materials.

Means purchases of copyright materials when only available through a single licensed reseller (e.g. books, curriculum, periodicals, journals, audio, visual, and electronic media.)

In accordance with OSU Procurement Standard 03-010, section 5.2.1. subsection g. i., noncompetitive procurements using non-federal funding, the university need not follow a competitive process, regardless of value, if the procurement is a specific case, class or category that is restricted, impractical, or unreasonable for a competitive process with approval of the Chief Procurement Officer. This memo serves as the Chief Procurement Officer's approval for the following categories:

1. Advertisements.

Means advertising in media outlets (e.g. newspapers, magazines, journals, radio and websites.) Excludes marketing and consulting services.

2. Food and beverages for resale.

Includes food and beverages purchased for resale to customers. Excludes catering and food or beverage related equipment such as those used for preparation, serving or dispensing.

3. OEM maintenance services.
Means maintenance services and parts from the original equipment manufacturer (OEM) after the equipment has been purchased.
4. Used personal property.
Means property or equipment used by a previous owner or user, other than OSU, for a period of time such that the value of the property or equipment has devalued by at least 25% of the original price and is recognized in the relevant trade or industry as "used" at the time of OSU purchase. This does not include refurbished or demonstration (demo) equipment.
5. Goods for resale.
Means goods purchased for resale to outside entities.
6. Specific intercollegiate athletic activities.
Means the purchase of goods or services (excluding construction and construction related activities) for intercollegiate athletic activities. This does not apply to Recreational Sports, Student Activities, or other sports or health related organizations unrelated to intercollegiate athletic activity.
7. Hotel sites for large conferences and workshops.
8. Fuel and power commodities.
Means gasoline, diesel fuel, heating oil, natural gas, electricity, solar, wind and similar power related commodities. Excludes equipment that creates power such as generators or solar panels.
9. Goods and services for ocean-going vessels.
Means goods, services and supplies for ocean-going vessels when they are in other than home port. Excludes when the vessel is in home port, or purchases of goods, services and supplies that are routinely anticipated such as dry-dock services
10. Repair and overhaul of equipment when cause is unknown.
Means repair and overhaul of equipment when the cause of disrepair is initially unknown and investigation is required that requires disassembly of the equipment.
11. Goods or services purchased in foreign countries.
Means goods or services purchased while the responsible party for the purchase is located in a foreign country and is intended for use in a foreign country. Does not include purchases from a supplier located in a foreign country for goods intended to be utilized within the United States or U.S. Territory.
12. Insurance.
Means insurance and insurance-related contracts, not including consulting or brokerage contracts.
13. Legal Services.
Means any contract for:
 - a. *Legal services, including those that are in the realm of those that an attorney might provide but could also be provided by other professionals (e.g. Patent Attorneys and Patent Agents are both licensed to practice before the US Patent & Trademark Office) but does not mean services that are provided by attorneys that are not commonly recognized in the legal industry as legal services; and*
 - b. *professional, expert witnesses or consultants providing services or testimony relating to existing or potential litigation or legal matters in which the university is or may become interested. This includes the provision of litigation services or information to general counsel that enables general counsel to advise on a transaction, litigation, potential litigation, policy, practice or risk. Examples of such professionals may include but is not limited to jury consultants, intellectual property valuers, damage*

consultants, IT litigation support, mock juries, private investigators, scientific experts, CPAs, and architects who provide services related to potential or existing litigation or legal matters.

14. Debt, loans and investments.

Means contracts entered into, issued, or established in connection with:

- a. The incurring of debt, including but not limited to the issuance of bonds, certificates of participation, and other debt repayment obligations, and any associated contracts, regardless of whether the obligations that the contracts establish are general, special, or limited;*
- b. The making of program loans and similar extensions or advances of funds, aid, or assistance from the university to a public or private body for the purpose of carrying out, promoting, or sustaining activities or programs authorized by law; or*
- c. The investment of funds by the university as authorized by law and other financial transactions.*

15. Contracts for employee benefit plans.

16. Medical services.

Means medical services provided by licensed professions in the medical community. Includes but is not limited to, doctors, physicians, psychologists, nurses, veterinarians, and those with specific license to administer treatments for the health and well-being of people or animals. Includes services for various forms of physical or mental therapy.

17. Artists, performers, photographers and speakers.

Does not include artwork that would be included in the 1% for Art applied to construction projects. If in doubt as to whether the artwork services are subject to the 1% for Art program, Procurement staff should consult with the Capital Projects Contract Administration Supervisor.

18. Acquisitions or disposals of real property or interest in real property.

19. Sponsorship agreements for university events or facilities.

20. Services to provide international educational, logistical or tour related services and activities.

21. Except when any service can be provided by a Qualified Rehabilitation Facility who has fully demonstrated that they can meet the requirements and needs of the university, the continuation of the contracting for goods and/or services relating to maintenance, repair or management of real property is exempted in the following situations:

- a. University-owned real property*
 - Any newly acquired property (to ensure no maintenance and/repair lag, continue with vendors familiar with the building, etc.), including continuation of these services for one year or as long as prudent with approval by the CPO.*
- b. Non-University-owned property*
 - When university is a tenant and assumes the financial and administrative responsibilities for the provision of such goods and services.*

22. Software Licenses and Other Fees.

Means licenses and fees associated with existing fully implemented software paid to the software company (not a reseller, unless such reseller is the only purchase option available or the named, dedicated and sole reseller of the software company) when the software is:

- a. A university-wide application; or*
- b. Utilized by a significant population such that retraining efforts would have substantial impact to campus operations; or*
- c. Integrated with other software systems such that reintegration with new software would have a substantial cost to the institution. This does not include new software purchases.*

23. Software Maintenance Fees.

Means maintenance fees for existing fully implemented software for which OSU has to pay maintenance fees. This does not include new software purchases.

24. Professional Employment Organizations (PEO).

Means organizations that provide human resources, payroll, and benefit administration services for employees who reside in states outside of Oregon or reside internationally. This includes but is not limited to organizations that apply the local employment and tax laws of other states and countries for OSU employees who reside in those locations.

Cc: Terry Meehan, Office of General Counsel
Paul Odenthal, Senior Associate Vice President for Administration