SECTION 7: ACQUISITION PROCEDURES

SUBJECT: GOVERNMENT SPECIAL TERMS AND CONDITIONS

POLICY: It is the policy of the University of Washington Purchasing Department that all formal solicitations and written purchase orders/contracts over Direct Buy Limit (see Procedure 2.1 -- Direct Buy Limit for Goods and Purchased Services (RCW (43.19)) made on federal contract and grant budgets must include the appropriate Special Terms and Conditions (Flowdown clauses) required by the federal government, as per Federal Acquisition Regulations (FAR) and Circular A-110. There are two separate sets of federal flowdown clauses:

1. One for federal contract funded purchases (Attachment 7.1.3.a).
2. And one for federal grant funded purchases (Attachment 7.1.3b).

Note: For special Flowdown clauses required for Hospital contract, please see Procedure 8.14.

PROCEDURES:

1. Buyer must determine which set of federal flowdown clauses to use, based on whether the purchase is made against a federal contract or grant.

Note: In order to determine the budget source please see ADDON DATA FOR BUDGET section of the Purchase Requisition (PR). For more information on type of budgets please see Procedure 7.1.1. Buyer issuing solicitations (RFQ, RFP, ITB, etc.) against federal contract/grant must include the appropriate flowdown clauses in the solicitation document.

A. FEDERAL CONTRACT FUNDED PURCHASES:

1) For federal contract funded commercial items, goods and services, use the form “Federal Flowdown Terms and Conditions for Commercial items and Commercial Components for Federal Contract Funded Purchases” (Attachment 7.1.3a). Refer to the FAR Subpart 2.1 definition of “Commercial Item” in order to determine if the purchased item(s) is commercial or not.

2) For federal contract funded non-commercial items, Buyer must determine the FAR flowdown clauses that are appropriate for the contract funding the purchase. Buyer is to notify the Associate Director for Purchasing as soon as he/she has received a request for non-commercial/customized good or services, in order to allow sufficient time to identify the required flowdown clauses.

B. FEDERAL GRANT FUNDED PURCHASES:

1) For federal grant funded purchases of goods and services, use the form “Contract Terms and Conditions for Federal Grant Funded Purchases” (Attachment 7.1.3b).

2. There are other requirements the Buyer may have to follow for federally funded purchase/contract, depending upon conditions defined below:

A. Debarment Certification:

1) Purchase with federal contract or grant funding of $25,000 or more: Buyer must ensure that the supplier is not excluded or about
to be excluded from doing business with the government. This is achieved by incorporation of the clause 13 (13. Debarment Certification) of the University’s General Terms and Conditions via reference to the General Terms and Conditions on the Purchase Order.

B. Small Business Subcontracting Plan: Purchases with federal contract funding greater than $550,000 require a Small Business Subcontracting Plan.