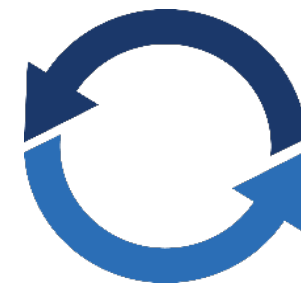




*Policy 3210
Purchase Contracts
and Procedures
effective November 2, 2022*



OneFinance

Information Session



Presenter
Konstantza Popova



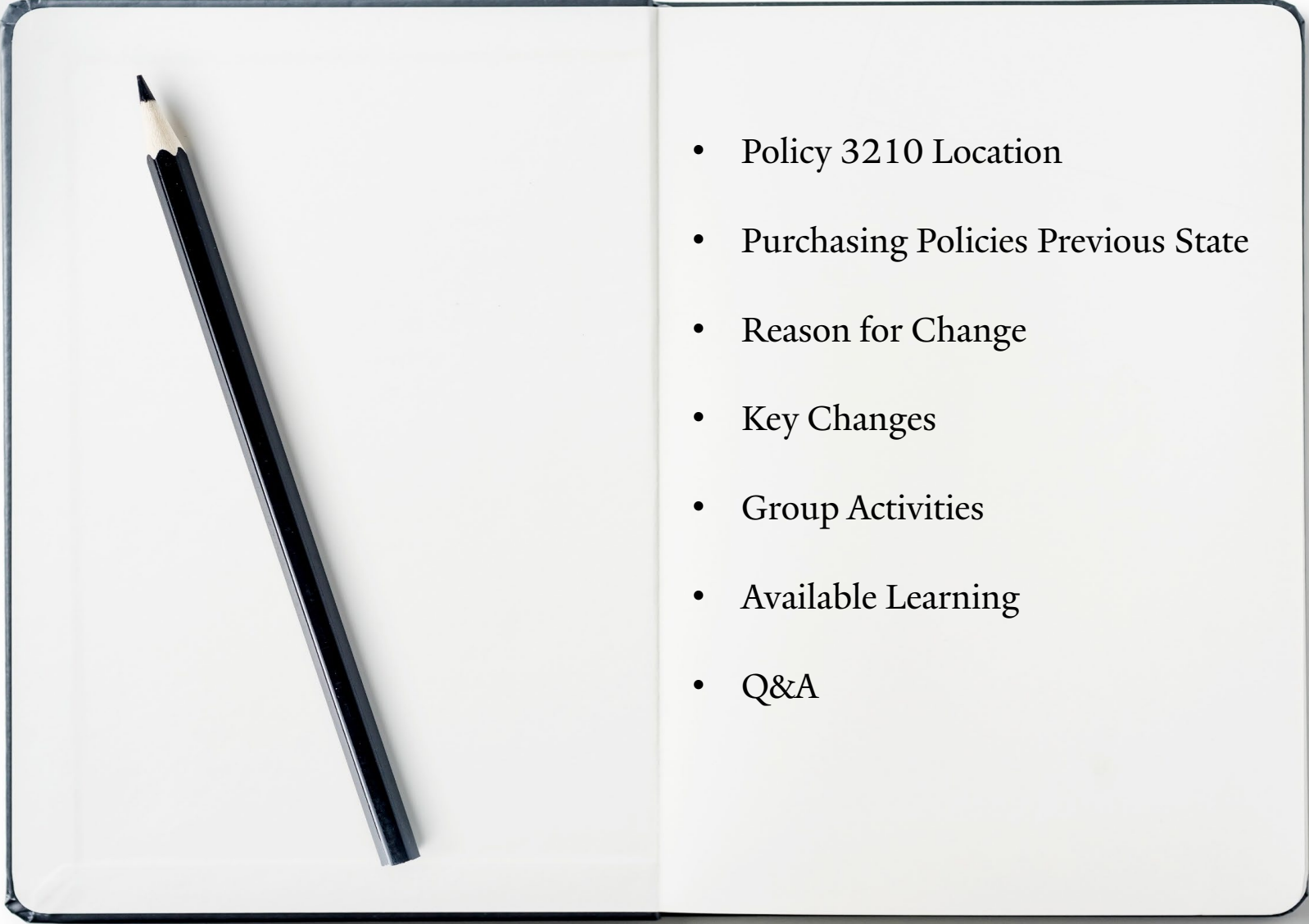
Moderator
Valerie Cloud

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Learning Objectives

- Review changes to 3210 Policy, Procedures, and Forms
- Understand the reason and benefits of the change
- Recognize key updated guidelines, requirements, and processes
- Know how to locate and apply new procedures and forms
- Be aware of existing and upcoming resources and learning opportunities



- 
- Policy 3210 Location
 - Purchasing Policies Previous State
 - Reason for Change
 - Key Changes
 - Group Activities
 - Available Learning
 - Q&A



Policy 3210 Location

! Please bookmark these locations:

[3210 Policy and Procedure Update](#)

[Procure to Pay University Wide Documents](#)

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Poll # 1

**A Purchase Contract is required for
(select all that apply):**

- A. All purchases over \$10,000
- B. All Data Use Agreements, regardless of dollar value
- C. Goods over \$100,000
- D. Software or electronic applications expected to be widely used by the University community
- E. Non-catalog equipment purchases



Two main Purchasing policies:





No policy specific to goods

Purchasing Policies and Procedures did not cover:

New regulatory requirements

New Contracts/Addendums

Some existing processes

Why Change?

Yale

Transform Purchasing
policy approach

Introduce a Purchase
Contract Policy inclusive
of both goods and services

Provide better clarity and
guidance to the Yale
community on how to
purchase and contract

Define categories of
different types of
purchases

Capture regulatory
requirements

Outline processes not
previously documented

Include new
Contracts/Addendums

Address internal and
external audit findings

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Purchases and Contracts Categorization

Yale



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❑ PR.01 Services Contracts Process - **renamed and revised**

❑ PR.02 Employee vs Independent Contractor- **no changes**

❑ PR.03 Process for Purchase Contracts for Software, Web Development Services, Electronic Applications, and Data Use Agreements - **new**

❑ PR.04 Statements of Work - **new**

❑ PR.05 Goods Contracts Process - **new**

- FR.01 Services Agreement – **renamed and revised**

- FR.05 Statement of Work/Exhibit A to Services Agreement – **renamed and revised**

- FR.06 Services Agreement for Freelance Photographers - **new**



Poll #1 Answer

A Purchase Contract is required for:

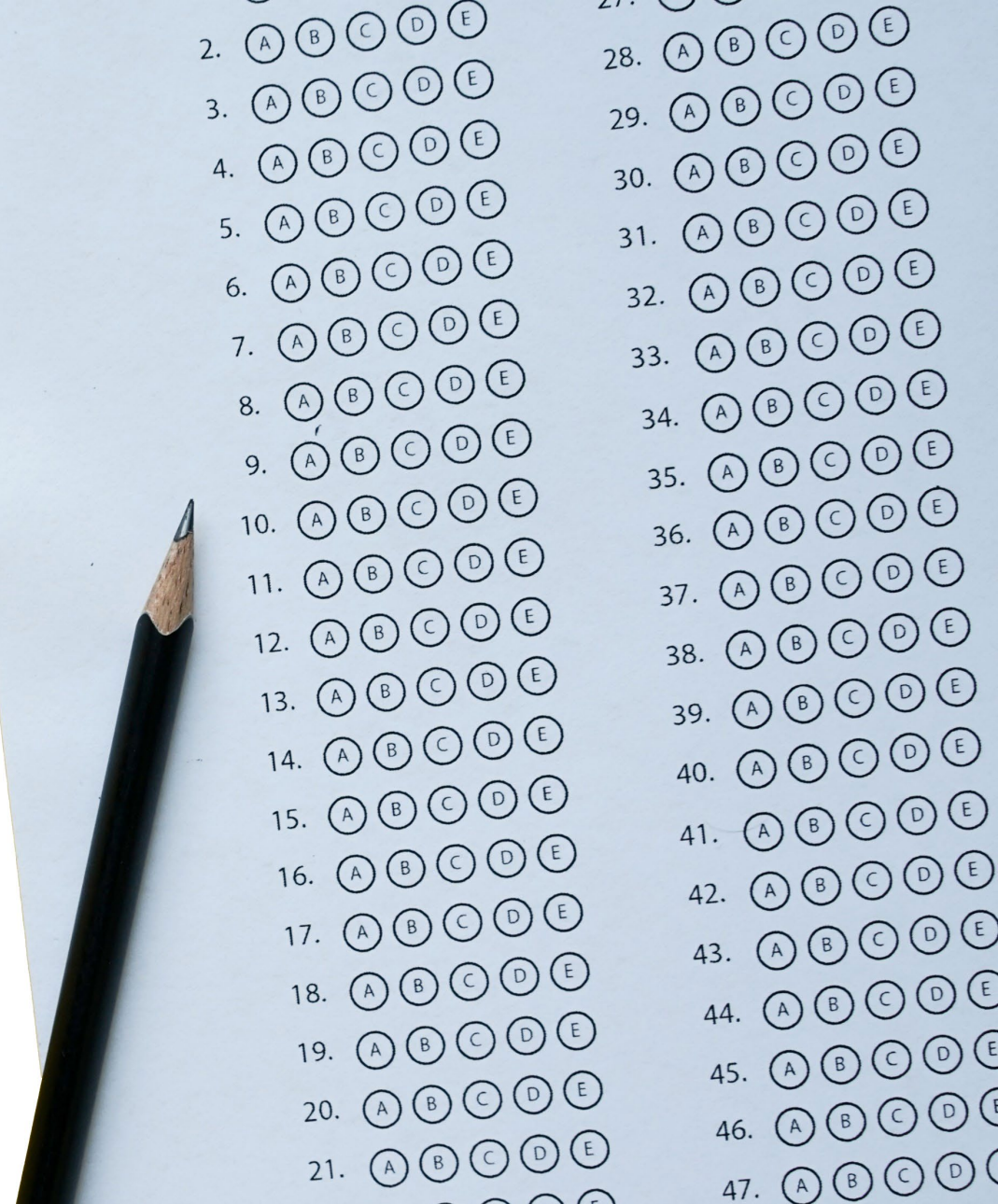
A. All purchases over \$10,000

B. All Data Use Agreements, regardless of dollar value

C. Goods \geq \$100,000

D. Software or electronic applications expected to be widely used by the University community

E. Non-catalog equipment purchases



- Case 1: The case will be presented and explained in detail. You will be guided on the right resource to use and how to apply the policy and relevant procedure.
- Case 2: Team activity – you will collaborate with other attendees in breakout rooms.
- Case 3: The case will be presented and explained in detail. You will be guided on the right resource to use and how to apply the policy and relevant procedure.

Note: You are not expected to already have a perfect understanding of the material.

Resources and contacts will be provided at the end of the session for questions you might have.

You need to purchase a piece of equipment for a lab within your unit. The Researcher has obtained a quote from a reputable supplier, she is happy with the price of \$101,300, and the quality of the instrument. The quote does not have terms or a signature block. The Researcher mentions that she has checked other sources, but this is the one she wants to go forward with.

- Do you need any additional information?
- What (if any) documentation is needed to process the purchase?
- Is there a need for review and/or approval by Procurement or another specialized office?
- How will you process the purchase?

Example

The case will be presented and explained in detail. You will be guided on the right resource to use and how to apply the policy and relevant procedure.

3210 PR.05 Requirements for Goods

- Goods Purchases valued \geq \$100,000
 - Purchase Contract
 - Certificate of Insurance with Yale named as an additional insured
- Goods Purchases valued \geq \$10,000 and $<$ \$100,000
 - Do not require a *separate* Purchase Contract \rightarrow the Purchase Contract consists of the University's standard Purchase Order Terms and Conditions
 - Pricing Documentation (Comparative Pricing & Competitive Bidding) *OR* Sole Source
 - Consult with Enterprise Risk Management regarding insurance requirements
- Goods Purchases valued $<$ \$10,000
 - Do not require a *separate* Purchase Contract \rightarrow the Purchase Contract consists of the University's standard Purchase Order Terms and Conditions

Do you need more information and/or clarification from the Requestor?

- The additional proposals that the Researcher has obtained.

Case Study Example:

You need to purchase a piece of equipment for a lab within your unit. The Researcher has obtained a quote from a reputable supplier, she is happy with the price of \$101,300, and the quality of the instrument. The quote does not have terms or a signature block. The Researcher mentions that she has checked other sources, but this is the one she wants to go forward with.

What (if any) documentation is needed to process the purchase?

- Purchase Contract
- Quote
- Certificate of Insurance with Yale named as an additional insured
- Pricing Documentation (Comparative Pricing & Competitive Bidding)

Case Study Example:

You need to purchase a piece of equipment for a lab within your unit. The Researcher has obtained a quote from a reputable supplier, she is happy with the price of \$101,300, and the quality of the instrument. The quote does not have terms or a signature block. The Researcher mentions that she has checked other sources, but this is the one she wants to go forward with.

Is there a need for review and/or approval by Procurement or another specialized office?

- Procurement
- Office of Risk Management

Case Study Example:

You need to purchase a piece of equipment for a lab within your unit. The Researcher has obtained a quote from a reputable supplier, she is happy with the price of \$101,300, and the quality of the instrument. The quote does not have terms or a signature block. The Researcher mentions that she has checked other sources, but this is the one she wants to go forward with.

How will you process the purchase?

- Create a Requisition in Workday

Case Study Example:

You need to purchase a piece of equipment for a lab within your unit. The Researcher has obtained a quote from a reputable supplier, she is happy with the price of \$101,300, and the quality of the instrument. The quote does not have terms or a signature block. The Researcher mentions that she has checked other sources, but this is the one she wants to go forward with.

You will now be shown the second case study.
Refer to your bookmark of Policy 3210.

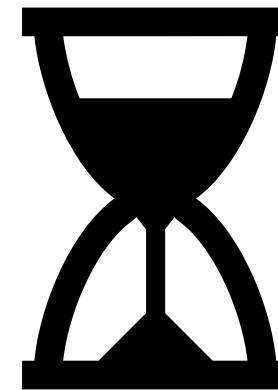
Document any potential questions or issues you identify. Where could you find information on these issues?

Discuss the appropriate course of action in your break-out rooms starting shortly.

You are not expected to already have a perfect understanding of the material. We will go over the correct answers after the breakout session.

You will be given resources and contacts at the end of the session for questions you might have.

This will be a timed exercise.



10
Minutes

Your department is planning a research conference which will be held virtually for the first time. You have identified a supplier who offers an online hosting platform, and the total cost of the services is anticipated to be \$7,750. The expected number of attendees is between 1500 – 2000. Attendees will pay a nominal registration fee using payment cards.

- Do you need more information and/or clarification from the Requestor?
- What (if any) documentation is needed to process this engagement?
- Is there a need for review and/or approval by Procurement or another specialized office?
- How will you process the purchase?

Exercise

Review the case study. Document any potential questions or issues you identify. Where could you find information on these issues?

Discuss the appropriate course of action in your break-out rooms starting shortly!

3210 PR.03

Requirements for Software, Web Development Services, and Electronic Applications:

➤ Data Security

- Data Classification
- Moderate or High-Risk Data → Information Security Office
 - Security Planning Assessment (SPA)
 - Third Party Risk Management (TPRM) Service
 - Data Addendum

➤ Privacy

- Personally Identifiable Information (PII) or Protected Health Information (PHI) → Privacy Office
 - Business Associate Agreement

➤ Accessibility

- ITS Digital Accessibility Office
 - Web or Technology Procurement Updates Form
 - Voluntary Product Accessibility Template (VPAT)
 - Accessibility Addendum

➤ Payment Card Processing

- ePAY

Do you need more information and/or clarification from the Requestor?

- Risk Assessment
 - Data:
 - What kind of data will be shared with the supplier? Classification of the data.
 - Audience – number of attendees, internal, external (US or international), exposure?
 - Supplier's capabilities:
 - Min Security Standards – hosting, storing, transmission of information
 - Accessibility
 - How are payments collected? Who is processing the payments (Yale or the Supplier)?

Case Study Example:

Your department is planning a research conference which will be held virtually for the first time. You have identified a supplier who offers an online hosting platform, and the total cost of the services is anticipated to be \$7,750. The expected number of attendees is between 1500 – 2000. Attendees will pay a nominal registration fee using payment cards.

What (if any) documentation is needed to process this engagement?

- Purchase Contract and Statement of Work
- VPAT (Voluntary Product Accessibility Template) – to be obtained from the supplier and reviewed by ITS Digital Accessibility Office
- Accessibility Addendum (depending on the assessment of ITS Digital Accessibility Office)
- Data Addendum (if appropriate, based on the type of data being shared)
- Certificate of Insurance

Case Study Example:

Your department is planning a research conference which will be held virtually for the first time. You have identified a supplier who offers an online hosting platform, and the total cost of the services is anticipated to be \$7,750. The expected number of attendees is between 1500 – 2000. Attendees will pay a nominal registration fee using payment cards.

Is there a need for review and/or approval by Procurement or another specialized office?

- Procurement
- ITS Digital Accessibility Office
- Information Security Office (if applicable, depending on the type of data)
- University e-Commerce Manager
- Office of Risk Management

Case Study Example:

Your department is planning a research conference which will be held virtually for the first time. You have identified a supplier who offers an online hosting platform, and the total cost of the services is anticipated to be \$7,750. The expected number of attendees is between 1500 – 2000. Attendees will pay a nominal registration fee using payment cards.

How will you process the purchase?

- Create a Requisition in Workday

Case Study Example:

Your department is planning a research conference which will be held virtually for the first time. You have identified a supplier who offers an online hosting platform, and the total cost of the services is anticipated to be \$7,750.

The expected number of attendees is between 1500 – 2000.

Attendees will pay a nominal registration fee using payment cards.

Poll #2

A Statement of Work is required:

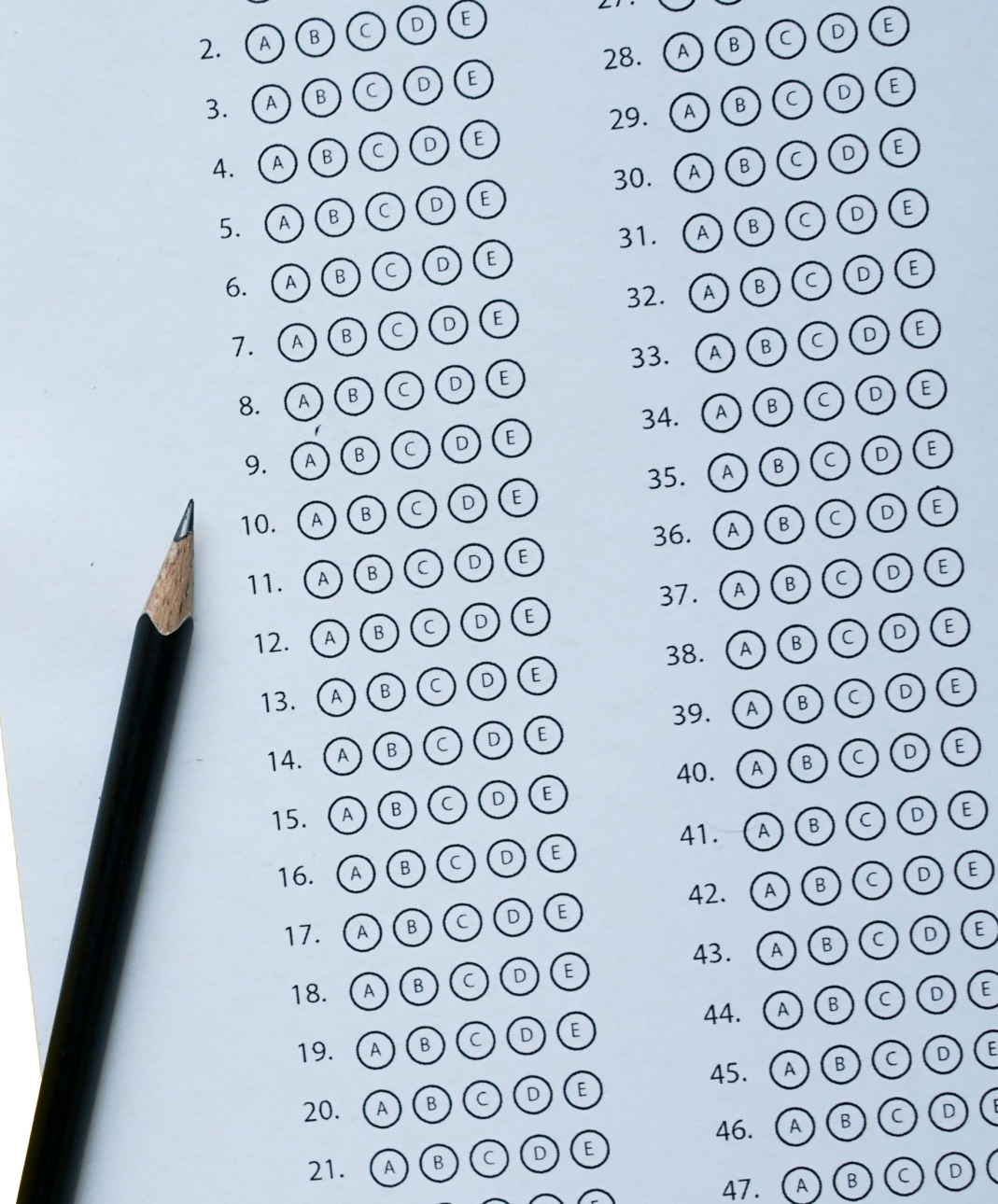
- A. Only for service purchases over \$10,000
- B. For services engagements involving access to Yale's high-risk data
- C. For services that are delivered on campus
- D. For all services engagements



Poll #2 Answer

A Statement of Work is required:

- A. Only for service purchases over \$10,000
- B. For services engagements involving access to Yale's high-risk data
- C. For services that are delivered on campus
- D. For all services engagements**



A student from your school is looking to get access to a dataset that is needed for his thesis. The dataset is offered by a well-known survey company and data source. The cost will be \$2,080 and the supplier provides an easy option to go through a few steps online, agree to their standard terms, and use a purchase card.

- Do you need any additional information?
- What (if any) documentation is needed to process the purchase?
- Is there a need for review and/or approval by Procurement or another specialized office?
- How will you process the purchase?

Example

The case will be presented and explained in detail. You will be guided on the right resource to use and how to apply the policy and relevant procedure.

3210 PR.03

Requirements for Data Use Agreements

- OSP or Procurement - non-profit or for-profit organizations
- Data Storage
- Data Access – rights and expiration
- Data Usage – who and how? Ability to publish!
- Written Acknowledgements from users (if applicable)

Do you need more information and/or clarification from the Requestor?

- ❑ Type of data – classification.
- ❑ Supplier's terms:
 - Access to the data – rights, for how long?
 - Data usage – who and how?
 - Data storage requirements.
 - Ability to publish!

Case Study Example:

A student from your school is looking to get access to a dataset that is needed for his thesis. The dataset is offered by a well-known survey company and data source. The cost will be \$2,080 and the supplier provides an easy option to go through a few steps online, agree to their standard terms, and use a purchase card.

What (if any) documentation is needed to process this engagement?

- Purchase Contract

Case Study Example:

A student from your school is looking to get access to a dataset that is needed for his thesis. The dataset is offered by a well-known survey company and data source. The cost will be \$2,080 and the supplier provides an easy option to go through a few steps online, agree to their standard terms, and use a purchase card.

Is there a need for review and/or approval by Procurement or another specialized office?

- Procurement
- Other specialized offices depending on the data type (e.g., Information Security Office)

Case Study Example:

A student from your school is looking to get access to a dataset that is needed for his thesis. The dataset is offered by a well-known survey company and data source. The cost will be \$2,080 and the supplier provides an easy option to go through a few steps online, agree to their standard terms, and use a purchase card.

How will you process the purchase?

- Create a Requisition in Workday

Case Study Example:

A student from your school is looking to get access to a dataset that is needed for his thesis. The dataset is offered by a well-known survey company and data source. The cost will be \$2,080 and the supplier provides an easy option to go through a few steps online, agree to their standard terms, and use a purchase card.



Available now

Recorded video of information training session

Upcoming

E-Learning Module for policy 3210 and each procedure

Future Q&A sessions - based on need:
procedure/department-specific

Purchase Contract
Policy inclusive of both
goods and services

Regulatory
requirements, processes
and forms

Addressed internal
and external audit
findings

Resources
&
Training

Defined categories
of purchases and
contracts

Clarity and guidance
on how to purchase
and contract

Procurement webpage:

- **News & Announcements:** Find [Business Update: Procurement-Related Announcements](#)
- **Resources:** Locate [helpful resources](#) such as the Buying Guide, Procurement Toolkit, Information Session guides
- **Sourcing:** Develop strategic [supplier partnerships; maximize value & quality of the contract](#)
- **Buying:** Eliminate unnecessary work; [secure best pricing on regularly purchased items](#)

Contacts:

- **Specialized Purchasing Support** (Sourcing/Buying, Contract Review, Policy Questions etc.): [Purchasing Intake Portal](#)
- **General Purchasing Support:** purchasing.helpdesk@yale.edu

Contacts for Specialized Offices:

- **Information Security:** *Information Security Office:* information.security@yale.edu
- **Digital Accessibility:** *ITS Digital Accessibility Office:* accessibility@yale.edu
- **Payment Card Process:** *e-Commerce Manager:* epay@yale.edu
- **Privacy:** *Privacy Office:* privacy@yale.edu
- **Insurance Requirements:** *Office of Enterprise Risk Management:* risk.management@yale.edu
- **Use of Yale's Name:** *Department of Marketing and Trademark Licensing:* [Yale Trademark Licensing](#)



Q&A

Specialized Purchasing Support: [Purchasing Intake Portal](#)
General Purchasing Support: purchasing.helpdesk@yale.edu