

Procurement

2.0

Effective Date 1/1/99

3.0

Scope

This policy covers the negotiation and contracting for all goods and services that are obtained by the laboratory.

4.0

Applicability

This policy applies to all employees of Fermilab, Users and any others who use an account at Fermilab to acquire goods and services.

5.0

Policy

It is Fermilab's procurement policy to abide by all provisions of the prime contract, the applicable Federal, state and local laws and regulations, and good business practices. It is the policy of the Laboratory to obtain competition for goods and services in our procurements to the maximum extent practical.

Authority to Commit the Laboratory

All Division/Section Heads and a number of employees have been delegated signature authority in various dollar amounts. This authority is for internal management purposes and does not empower its holders to make commitments, orally or in writing, that contractually bind the Laboratory.

The authority to make contractual commitments outside of the Laboratory is delegated specifically to me by Universities Research Association, Inc., and I, in turn, have authorized the Head of the Business Services Section to bind the Laboratory contractually. He, in turn, has delegated parts of this authority to various procurement

personnel. Only those persons possessing such specifically delegated authority may make commitments or sign documents that contractually bind the Laboratory.

Responsibility of Staff in Dealing with Outside Organizations

Scientific and technical staff personnel often become involved in the procurement process. These persons do not possess authority to commit the Laboratory, and they must exercise restraint and discretion in their communications with outside organizations so that their comments are not construed by the latter as commitments on behalf of the Laboratory. Even casual conversation can result in potential bidders, contractors, or vendors inferring the existence of a commitment when it was not intended by the Laboratory. In some instances, a legally binding oral contract or contract change could result. Procurement personnel, as assigned by the Head of the Business Services Section, are responsible for all negotiations on contracts and purchase orders. This authority cannot be assumed by other Fermilab personnel.

Non-Competitive Contracting

It is the responsibility of the Laboratory to obtain competition for goods and services in our procurements to the maximum extent practical. We have recently been questioned about the adequacy of our justification for placement of contracts without competition. I have requested the Head of the Business Services Section to review our procedures for sole source justifications to ensure that we meet the stringent criteria which we are legally bound to follow for non-competitive procurements.

After-the-Fact Requisitions

In the past, GAO has indicated instances of after-the-fact contracting which occurred at other laboratories as a result of Laboratory personnel dealing with contractors prior to involvement of the Business Services Section procurement personnel. The commencement of work can only be authorized by procurement personnel with proper authority. The Laboratory is not obligated and will not pay for work or services that were initiated before a legally binding contract or purchase order becomes effective. It is possible that the Fermilab staff person making a commitment could be personally liable to a party he or she induced to begin work prior to the existence of a contract.

Invoice Certification

Anyone certifying an invoice for payment by the Laboratory must be fully cognizant of facts related to such invoices, particularly that the services have been performed or the supplies delivered in an acceptable manner.