



The State University  
of New York

# Office for Capital Facilities Guidance Document

CLC-13

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## **Facilities Procurement: Purchase and Install and Service Contracts**

A reference guide to assist State Operated Campuses in determining the appropriate procurement method for facilities related procurements.

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## Background

### ***When is a facilities related purchase not construction? And why does it matter?***

A formal competitive procurement is required for all purchases over the discretionary threshold defined in NYS law, and subsequently in SUNY Procedures. This discretionary limit varies depending on what is being purchased. For purchases of commodities and services, a formal competitive procurement is required at \$125,000. However, for construction purchases a formal procurement and sealed bid is required at \$20,000, and for construction related services (architecture, engineering and surveying), a formal consultant selection is required at \$25,000.

The discretionary threshold refers only to when a formal competitive procurement is required. Other requirements, such as advertisement, subcontractor goals, vendor responsibility and procurement lobbying apply at varying thresholds. The Construction and Consultant Procurement Threshold Chart available on the Office for Capital Facilities (OCF) website ([link](#)) summarizes the various procurement requirements for construction and construction-related consultant contracts. In addition to these requirements, campuses are required to establish and document reasonableness of price for procurements<sup>1</sup>.

## Purchase and Installation

Some equipment procurements may be considered a "purchase and install", and can be treated as a commodity procurement. This determination is made on a case by case basis taking into account several factors. A primary consideration is the cost of installation, in relation to the cost of the item.

If the following conditions are met, the procurement can likely be treated as the "purchase and install" of a commodity.

- The cost of the installation is approximately 20% or less
- No building permit is required
- No structural work is required
- Little to no mechanical, electrical and plumbing work is required
- No abatement or hazardous material removal is required

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<sup>1</sup> Check with your Campus Business Office to determine what reasonableness of price documentation is required for a particular procurement.

This determination must be made on a case by case basis taking into consideration the specifics of the project, and the conditions listed above. However, it is likely that many of the items listed below could be appropriately procured as the “purchase and install” of a commodity.

- Installation of kitchen equipment
- In-kind replacement of air handling units
- Installation of carpeting
- Installation windows or doors
- Installation of fixed equipment items *(For more information on Furniture, Fixtures and Equipment Purchases see [Guidance Document CLC-9](#))*

**Services**

The standalone procurement of services such as painting, soft-scape landscaping, elevator maintenance, and resurfacing/resealing/restripping of parking areas, are likely considered a procurement of services, as opposed to construction. Services are procured under SUNY Procedure 7553, with a discretionary threshold of \$125,000.

**Discretionary Thresholds**

The discretionary threshold refers only to when a formal competitive procurement is required. Other requirements, such as advertisement, subcontractor goals, vendor responsibility and procurement lobbying apply at varying thresholds. The Construction and Consultant Procurement Threshold Chart available on the OCF website ([link](#)) summarizes the various procurement requirements for construction and construction-related consultant contracts.

Procurement Type	Discretionary Threshold <i>(i.e. a competitive procurement is required)</i>	Applicable SUNY Procedure
Commodities and Services (including construction materials)	\$125,000	<a href="#">Procedure 7553</a>
Commodities and Services AWARDED TO MWBE’s (including construction materials)	\$200,000	<a href="#">Procedure 7553</a>
Construction	\$20,000	<a href="#">Procedure 7554</a>
Construction Related Consultants	\$25,000	<a href="#">Procedure 7555</a>

Note that the increased discretionary threshold to \$200,000 for procurements from small, minority- and women-owned business does NOT apply to construction & construction-related services. The only applicability for the \$200,000 discretionary threshold is for construction materials, which are a commodities purchase.

**References**

- SUNY Procedures [7553](#), [7554](#), and [7555](#)
- Laws of New York - <http://public.leginfo.state.ny.us/lawsrch.cgi?NVLWO>:
- NYS Finance Law §136-a, §160 and §163
- NYS Education Law §376

