

FPC PROJECT MANAGEMENT GUIDE

PMG-C08: OWNER DIRECT PURCHASE PROGRAM

PURPOSE: To establish guidelines for the administration of the Facilities Planning and Construction (FPC) Owner Direct Purchase (ODP) program.

A. Introduction

The Owner (UF/FPC) may elect to implement a direct purchase program, where eligible materials included in any Trade contractor's bid are purchased by UF directly from the supplier of such materials in order to achieve sales tax savings. Such materials are referred to as "Direct Purchase Materials" or "Owner Direct Purchase" (ODP) materials. See also the Agreements for Construction Management Services and Design/Build Services.

B. Instructions for Preparation of Purchase Order Request Forms

1. Using the FPC template ODP Log, the Construction Manager or Design Builder, herein referred to as Builder, shall provide FPC with a list of proposed ODP materials for consideration and approval. Minimum purchase is \$10,000.
2. If UF elects to purchase any ODP materials, it shall so notify the Builder, who shall then furnish completed ODP Requisition forms to FPC in sufficient time to allow for the approval and processing of the purchase orders. At least 10 work days should be allowed for approval and dispatch of purchase orders for items related to the construction schedule's critical path.
 - a. The ODP Requisition Form is available on the FPC website under Forms and Standards. The Builder should carefully prepare the form to ensure the delivery address, contact and phone numbers are accurate. The requisition should list the proper mailing address for the delivery of invoices for approval.
 - b. The ODP Requisition backup shall include a current Bid Tabulation Summary and a copy of the written quote from the vendor(s) to the trade contractor(s) listed on the Bid Tabulation Summary. This quote must document the specific materials to be purchased and their pre-tax price.
 - c. Such direct purchase of materials by the Owner does not relieve the Builder and/or its trade contractors of their responsibility to ensure the materials and equipment meet the specifications and requirements of the Contract Documents.
 - d. Each ODP requisition with backup shall be reviewed and, if approved, signed by the FPC Project Manager (PM) and FPC Contract Administrator (CA), then forwarded to the AVP for approval.
 - e. Requisitions exceeding \$1,000,000 exceed the purchasing authority of the UF Division of Purchasing and must be approved by the VP for Business Affairs.
3. A change order shall be executed to both reduce the Owner-Builder contract by the amount(s) being directly purchased and transfer the tax savings for these materials to ODP Tax Savings within the GMP. See policy on change orders. Additionally, the Builder shall in a timely manner reduce the applicable trade contractors' contract amount(s) by the cost of the Owner Direct Purchase materials and sales tax related thereto
4. To avoid confusion, a uniform and consistent sales tax percentage shall be used for all ODP actions on a particular project.
5. The CA will provide PDF copies of the actual UF Purchase Order(s) to the Builder upon request.
6. The Builder shall update, maintain, and regularly distribute the ODP Log to track P.O. amounts, sales tax, and billings for each purchase, by trade contractor.

C. Instructions for Preparation of Invoices

1. Upon delivery of the ODP materials to the Project Site, the Builder and/or its trade contractor(s) shall confirm the type, quantity, and condition of the materials. If the materials are in good order, the Builder shall clearly indicate its approval by stamping/signing each invoice and forwarding the approved invoices and associated backup documentation to FPC in a timely manner.
2. The Builder shall enclose an updated ODP log with each set of invoices.
3. The PM and CA shall review the invoices and backup in a timely manner, returning for correction if necessary.

