



Office of the Vice President of
Finance and Administration
11000 University Parkway
Pensacola, FL 32514

MEMORANDUM

November 9, 2023

TO: All University Departments
FROM: Betsy Bowers, Vice President
SUBJECT: Owner Direct Purchases

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Betsy Bowers

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Pursuant to Florida Statutes, Section 212.08(6), and Florida Administrative Code, Number 12A-1.094, the University of West Florida is exempt from Florida Sales Tax for the purchase of construction materials, supplies, and equipment incorporated into a construction project. Purchases of this nature for a construction project are referred to as Owner Direct Purchases (ODPs).

Under UWF Policy GC-02.02-12/22, Contract Review by Procurement and Contracts (P&C), for Owner Direct Purchases, effectively immediately, ODP's equal to or less than \$75,000.00 will not require review by P&C. Furthermore, under UWF Policy GC-02.02-12/22, Contract Review by the Office of General Counsel (OGC), purchases of goods that exceed \$75,000 are to be reviewed by OGC. The Policy also addresses construction-related contracts, that is, contracts for construction, architectural services, engineering services, and similar contracts. However, the Policy does not directly address ODPs. **As described below, effective immediately, ODPs exceeding \$75,000 will not require review by the OGC.** This memorandum will serve as a clarification of Policy GC-02.02 until the Policy can be formally revised.

Our contracts with construction managers include language that the contractor (construction management firm) shall assume all risk and remain fully responsible for all material incorporated into any project, directly purchased by the Owner (UWF) or not. This will include, but not be limited to, insurance, theft, storage, damage during shipping or installation, coordination, quantities ordered, submittals, protection, scheduling, shipping, security, expediting, receiving, installation, cleaning, and all applicable warranties, etc. UWF as the Owner remains responsible for the cost of builder's risk insurance for ODPs. Consequently, the risk to the university is mitigated and an acceptable risk tolerance is met.

cc: Susan Woolf, General Counsel
Christine Miller, Director, Procurement & Contracts
Christopher Martin, Assistant Vice President, Facilities Management

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