

# DIRECT OWNER PURCHASE ORDER PROGRAM

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EDITION: January 16 2019  
ADMINISTRATIVE UNIT 48 0103 24 TO 0301 10 W 6

# DIRECT OWNER PURCHASE ORDER PROGRAM

## SALES TAX EXEMPT PURCHASING PROCEDURES

### FIXED CAPITAL IMPROVEMENT PROJECTS

#### UNIVERSITY OF SOUTH FLORIDA

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|              | <b>USF PROJECT MANUAL (UPM)</b>                       |   |
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|              | <b>PMG-12A-CPO</b>                                    | CHANGE TO PURCHASE ORDER (CPO) (M                         |

prepare and maintain a monthly sales tax purchase log (see [DOPO-Exhibit 1 USF Direct Owner Purchase Order Log](#)). The University issues a direct purchase Order (**PO**) to the Vendor.

3. Sub-Contractor contracts with the Contract Entity shall be reduced to reflect that the subcontract does not include materials that the Owner chooses to purchase. The Owner will purchase these same materials as the subcontractor would have purchased from, at the same price as the same materials as the Vendor extended to the Sub-Contractor or Contract Entity. The Contract Entity will **issue a purchase order directly to the Vendor** and the Contract Entity who will be the purchaser to the Sub-Contractor. **Purchase orders shall identify the Owner purchaser and contain the Owner's contract exemption certificate number, issue date, and expiration date.**
4. For material purchases, the Owner may issue a deductive contract change to account for the amount of the direct purchase and sales tax, or may elect to require the Contract Entity to develop or increase the Owner's Contingency within the GMP schedule of values for use at the sole discretion of the Owner.
5. The Contract Entity will issue a deductive subcontract adjustment to the Sub-Contractor that will account for the value of the material and the sales tax as it pertains to that Sub-Contractor's contract.
6. The Contract Entity shall process invoices so as to allow the Owner to take advantage of all discounts available.
7. The Sub-Contractor and Contract Entity will inspect all materials purchased pursuant to these Procedures upon their delivery to the project site or other designated delivery point approved by the Owner, and shall verify the correctness of the delivery and the lack of defects in the materials. Sub-Contractors will remain responsible for coordination of material purchases, protection,

12. The terms in the contract or procedure shall not prevent the conclusion that the Owner, rather than the Contract Entity is in substance as well as form the purchaser of the materials/equipment.

**D. DOPO PROCESS**

1. The Contract Entity, **prior to initiating the DOPO Request (min. 14 days for projects less than \$1M, 30 days for projects greater than \$1M)**, will prepare and submit to the Owner a deductive change order to the Contract or Proposal (**GMP**) for the amount of the materials, including sales tax savings, to be purchased using:
  - a. For Major Projects:
    - i. **UPM-Exhibit H6**