Procurement 101
for
Boot Camp for Managers and Supervisors

Presented by:

*Procurement Services*

January 2015
What is Procurement?

• The combined functions of purchasing, receiving, inspection, inventory control, storekeeping, salvage and disposal operations.

• Purchasing component includes developing a description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.
University Guidelines: purchases of goods and services

Categories:

- Purchases up to and including $5,000.00
- Purchases from $5,000.01 up to and including $10,000.00
- Purchase of inventoriable items, regardless of cost
- Purchases involving vendors coming onto campus, regardless of cost
- Purchases involving a vendor-provided contract/agreement, regardless of cost
- Purchases greater than $10,000.00
University Guidelines: purchases of goods and services

Purchases up to and including $5,000.00:

- May be made without additional price references if the price is considered fair and reasonable (fair and reasonable: comparison with previous prices paid, familiarity with the product/service; does not necessarily mean “lowest price”);
- When practical, a price should be obtained from someone other than the previous supplier before placing a repeat order.
University Guidelines: purchases of goods and services

Purchases from $5,000.01 up to and including $10,000.00:

- Obtain a minimum of 2 additional price references in addition to the quote in consideration (price reference: not necessarily a written quote; can be internet pricing, e-mail responses, vendor catalogs, telephone quotes);

- Where price references are not available, obtain approval from Procurement Services via Request for Single Source Pricing;
University Guidelines: purchases of goods and services

Purchases from $5,000.01 up to and including $10,000.00 (cont):

- When practical, a price should be obtained from someone other than the previous supplier before placing a repeat order;

- Include supporting documentation for processing.
University Guidelines: purchases of goods and services

Purchase of inventoriable items, regardless of cost:

- Items which must be tagged and placed into University inventory (see Procurement Manual for list);

- Will be purchased through Procurement Services;

- Complete a Purchase Requisition and attach supporting documentation per the dollar levels stated previously.
University Guidelines: purchases of goods and services

Purchases involving vendors coming onto campus, regardless of cost:

- Situations where the vendor is to do any work or occupy any University property;

- Does not apply to delivery-only;

- Includes speakers and entertainers;
University Guidelines: purchases of goods and services

Purchases involving vendors coming onto campus, regardless of cost (cont.):

- Complete a Purchase Requisition and attach supporting documentation per the dollar levels stated previously;

- Procurement Services will forward vendor agreements/contracts to Legal for processing;

- University requires a Certificate of Insurance.
University Guidelines: purchases of goods and services

Purchases involving a vendor-provided contract/agreement, regardless of cost:

- Complete a Purchase Requisition and attach supporting documentation per the dollar levels stated previously (including the unsigned contract/agreement);

- Procurement Services will forward vendor agreements/contracts to Legal for processing;

- University requires a Certificate of Insurance.
University Guidelines: purchases of goods and services

Purchases greater than $10,000.00:

- Will be handled by Procurement Services as written solicitations are required, as well as advertisement in SCBO;

- Complete a Purchase Requisition and attach any supporting documentation or quote information.
University Guidelines: purchases of goods and services

A flowchart is available to assist in navigating the requirements:

Procurement Decision-Making Process
# University Guidelines: purchases of goods and services

## Procurement Lead Times

<table>
<thead>
<tr>
<th>Type</th>
<th>Estimated Business Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to 10,000 with contract</td>
<td>5 to 20</td>
</tr>
<tr>
<td>$&gt;10,000 up to $100,000</td>
<td>20 to 30</td>
</tr>
<tr>
<td>$&gt;100,000 to University limits</td>
<td>30 to 45</td>
</tr>
<tr>
<td>Requests for Proposals</td>
<td>40 to 60</td>
</tr>
<tr>
<td>Above University limits</td>
<td>60 to 180</td>
</tr>
</tbody>
</table>
University Guidelines: purchases of goods and services

General:

- Items on statewide contracts must be purchased from those vendors (see State Contracts link on website); no dollar limits on state contract items

- Guidelines do not apply where frequent purchases are made from the same vendor over consecutive days, weeks, or months
University Guidelines: purchases of goods and services

General (cont.):

- In determining dollar levels, include shipping, freight, labor – do not include taxes;

- Requirements for obtaining prior approval for grants-related, technology-related, and printing purchases remain unchanged as well as internal approval guidelines established by VPs, Deans, and Dept. Chairs.
COMING IN 2015

E-Procurement system

• “Shopping Cart” style selection of needed goods/services
• Electronic approval of requisitions

www.coastal.edu/procurement
Questions?

Procurement Services is here to help.
http://www.coastal.edu/procurement/