

Guide to Making University Purchases

Step 1

Are the goods or services available in-house?

- Business Services (www.dbs.umd.edu)
 - Copy Services – provides copying and finishing services
 - Design Services – a resource for design and production needs
 - Mail Services – delivers, collects, and processes all incoming and outgoing U.S. Postal Service and interdepartmental mail
 - Motor Transportation Services (MTS) – offers a wide variety of rental vehicles and transportation-related services
 - Photo Services – provides a wide range of photographic services.
 - Printing Services – service and assistance throughout all phases of the printing process including: design, composition, typesetting, offset printing, binding and bulk mailing
 - Records Management – provides information to University departments regarding the proper procedures for retaining and discarding University records.
 - Travel Services – provides travel policy clarification, information about service providers and discounts, expense reconciliation processing, and facilitation of travel procurement.
 - University Copy Program – offers University departments an alternative to purchasing a copy machine using departmental funds.
- ChemStores – maintains an inventory which includes a wide variety of chemicals, scientific apparatus, equipment and supplies.
- Dining Services (www.dining.umd.edu) – offers a wide variety of dining and catering options.
- Environmental Safety (www.des.umd.edu) – DES includes Research Safety, Occupational Safety, Risk Management (insurance), Fire Marshal's Office and Sustainability
- Facilities Management (www.facilities.umd.edu) – offers a wide variety of in-house services for the College Park campus.
- Division of Information Technology (www.it.umd.edu) – includes the Terp Technology Store, TERPWare software downloads, Data Backup Service, and a variety of other technology services.
- Physical Distribution Center (www.purchase.umd.edu/physical_distribution.html) – provides services for receiving and distribution, shipping, importing and exporting, and house hold and lab moves to campus
- Terrapin Trader (<http://www.purchase.umd.edu/ttrader>) – the University's surplus property operation
- Physics Stores

Step 2

Can you borrow from another department or purchase used/remanufactured items?

Step 3

Does the State require that we purchase the goods or services from "Preference Providers"?

- Maryland Correctional Enterprise (MCE)
- Blind Industries and Services of Maryland (BISM)
- Maryland Works

Step 4

Is the transaction within Delegated Procurement Authority?

- Purchasing Card (all unrestricted small dollar transactions) less than \$5,000
- Automatic Purchase Order (APO) in KFS
 - <\$25,000 small dollar transactions excluded from purchasing card and travel card

- Vendor Contracts >\$25,000 (only applies to vendors/purchases with whom we have established a Vendor Contract)

Step 5

Submit a Requisition for Purchase to the Department of Procurement and Strategic Sourcing.

For competitive purchases include:

- Requisition for KFS
- Specifications/Scope of Work/Technical Requirements
- Performance requirements
- Special requirements such as delivery or installation
- Estimated dollar amount
- Funding source
- List of potential vendors*

*Please consider making such purchases with State Certified Minority Businesses (MBE) and Small Businesses (SBE).

Your requisition will be assigned to a Contract Manager (Procurement staff member). The Contract Manager will contact you to review your requirements and make recommendations that allow for maximum competition and result in the acquiring the best value for the University.

For sole source purchases include:

- Requisition for purchase
- Specifications/Scope of Work/Technical Requirements
- Performance requirements
- Special requirements such as delivery or installation
- Estimated dollar amount
- Funding source
- Sole Source Justification Form

Your requisition will be assigned to a Contract Manager (Procurement staff member). The Contract Manager will contact you to review your requirements and discuss the validity of the sole source. Further, he/she will determine if a sole source exists and research the requirement to ensure the cost is fair and reasonable.

For both competitive and sole source purchases, when the funding source is sponsored funds, additional approval of the expenditure is required from appropriate ORA/ORAA department for your campus as follows:

- UMD – A2 form
- UMCES – A3 form
- USM – A4 form

Step 6

Contact the Department of Procurement and Strategic Sourcing with questions/concerns.

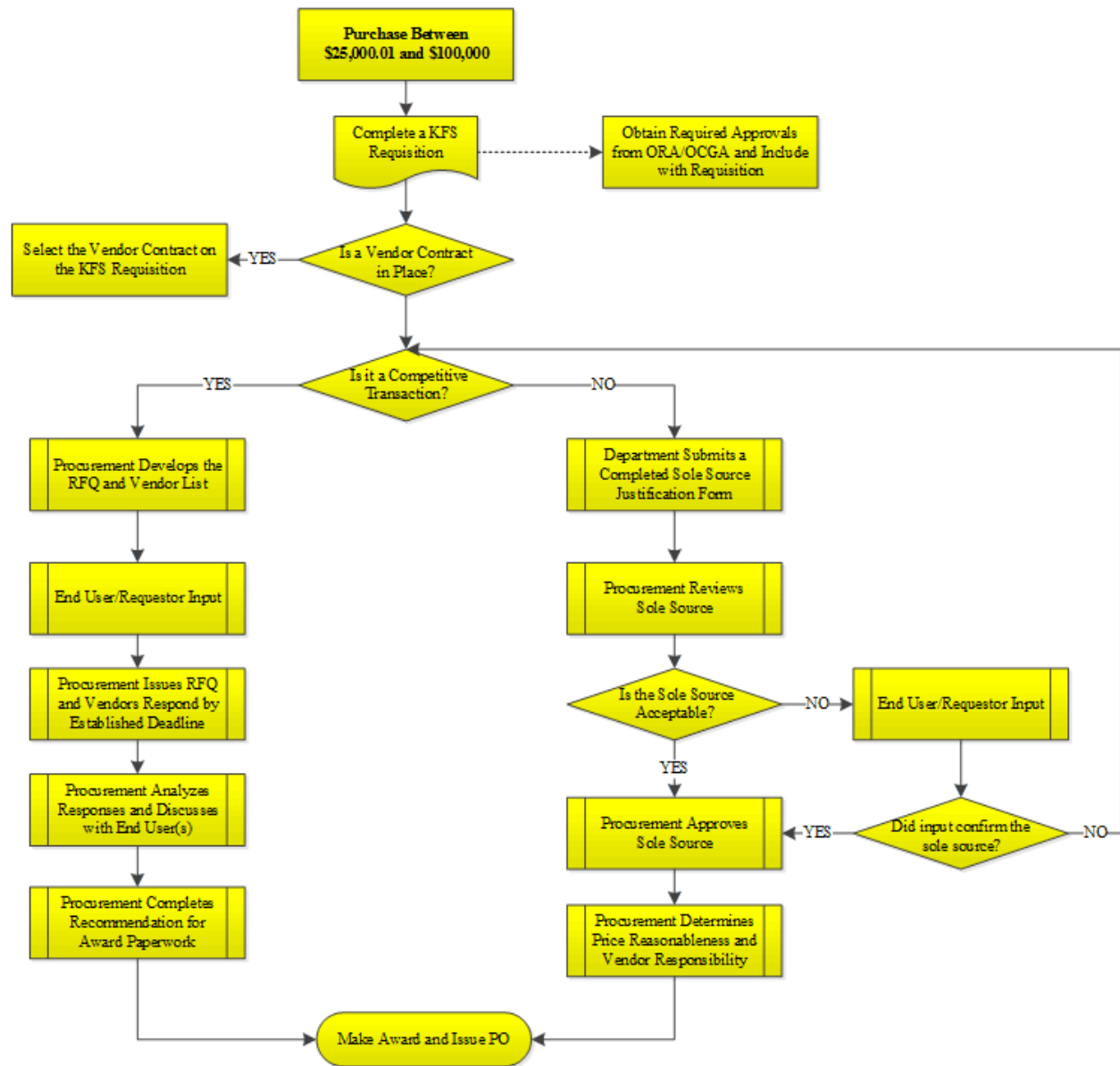
Department of Procurement and Supply
2113-R Chesapeake Building
Main Phone 301-405-5813
Main Fax 301-314-9565
Website www.purchase.umd.edu

If the Dollar Amount of the Transaction is between \$25,000.01 and \$100,000 (including any option years):

Please be aware that \$25,000.01 is the dollar threshold for which competition of University purchases is required. This means that Department of Procurement and Strategic Sourcing must seek competition for any requirement that equal or exceed this amount. In very special circumstances, sole source procurements may be justified.

If the requirement is competitive (i.e. more than one source could fulfill the requirement), then the requesting department should provide information such as one or more suggested vendors for the item(s) and/or service(s). If the requirement is a service the department should include a Statement of Work/Scope of Services. Procurement will issue a Request for Quotation (RFQ) package to multiple vendors. Please note that Procurement may designate the procurement as “small businesses reserve”, allowing only certified small business to participate in the competition. Once quotes are received and analyzed, an award will be made to the lowest responsive, responsible offeror. Procurement has established a turnaround goal of 14 calendar days for completion of a competitive transaction.

A sole source purchase (i.e. procurement without competition) is authorized under limited conditions and subject to written justification documenting the conditions that preclude the use of a competitive process. If Procurement determines that there is only one source that will satisfy the requirements and/or circumstances present, Procurement may negotiate and award a contract without competition to the company identified as a sole source. If you have a sole source transaction, complete and sign the Sole Source Justification form found on the web at <http://www.purchase.umd.edu/general/forms/sole.docx>. Procurement has established a turn-around goal of 10 calendar days for sole source transactions between \$25,000.01 and \$100,000. This 10-day period begins upon Procurement’s receipt of a complete package (requisition plus all documentation, and a completed and signed sole source justification form with persuasive justification in sufficient detail to clearly establish the transaction as sole source). If Procurement does not approve the transaction as sole source, then it will be handled as a competitive transaction.



If the Dollar Amount of the Transaction exceeds \$100,000.00 (the estimated cumulative value including option years):

Procurement utilizes a different process for competitive requirements exceeding \$100,000.00. Typically, Procurement issues a formal Request for Proposal (RFP) package, containing a complete and detailed Scope of Work. RFP's are issued to multiple vendors and posted on eMarylandMarketplace. Procurement makes an award(s) as a result of the department's evaluation of proposals and Procurements approval. The typical basis of award is the proposal that represents the "best value" to the University. Technical and Financial proposals are formally evaluated by separate committees. Use of the RFP process also involves Procurement creating a Source Selection Plan and a Milestone Plan. The end user representative agrees to both of these plans prior to issuance of an RFP. The RFP process typically takes between 2 and 4 months and includes significant involvement from the requesting department, so it is very importance to involve Procurement as soon as possible for any requirement expected to exceed \$100,000.00.

The process for handling sole source transactions in excess of \$100,000 does not differ significantly from lower-dollar sole source transactions, except that the sole source justification requires the additional approval of the Vice President Administration and Finance. The USM Vice Chancellor of Administration and Finance must also be notified when a sole source exceeds \$100,000. If the sole source exceeds \$500,000, prior approval from the USM Vice Chancellor is required. As a general rule, the higher the dollar amount of the transaction, the more compelling the sole source justification must be.

