

Procurement Handbook



Education Achievement Authority



Policy and Procedure Guidelines

June 9, 2014

Education Achievement Authority (EAA) Procurement Handbook

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PROCUREMENT MANAGER ROLE AND RESPONSIBILITIES

The function of the Procurement Department is to facilitate the organization and administration of centralized Procurement services for all departments of the District. In providing these services, the Procurement Department seeks to realize for the District the maximum value for every dollar expended. The primary responsibilities of the Procurement Department include, but are not limited to:

1. Remaining up-to-date on all applicable rules, regulations, and policies related to the Procurement functions of the District.
2. To provide information and assistance to departments and monitor purchase practices of all departments to ensure they are in accordance with the District's Procurement rules, regulations, and policies.
3. Ensuring the District's purchase order system is being fully utilized to facilitate encumbrance accounting as a means of budgetary control.
4. Preparing requests for proposals (RFP), requests for quotations (RFQ), requests for information (RFI) and invitation to bid (ITB) in bidding for goods and services, assist in preparing bid specifications, and oversee the bid process.
5. Receiving, tabulating, and analyzing, or assist in analyzing, responses to the District's bids and Request for Proposals.
6. Approving purchase order requests, which includes the determination of availability of funds in the accounts to which the purchase would be charged.
7. Coordinating, if necessary, the presentation of purchase requests for the review and approval by the administrative staff.
8. Preparing and issuing approved purchase orders.
9. Supervising the delivery of goods, resolving problems with vendors, orders, and deliveries, and monitoring the provisions of contractual services.
10. Provide thorough training to all staff that is involved in any part of the Procurement process.
11. Act as the liaison with the vendors that service the EAA District.
12. Develop sources of supply to assure an adequate number of vendors for obtaining supplies, equipment, and services.
13. Provide reports and information to the administrative office as requested.
14. Review purchase orders to determine if goods purchased qualify as fixed assets.
15. Pursue continuing education opportunities to:
 - Acquire, enhance, and maintain a skill base in evolving technology
 - Improve skills for handling, organizing and communicating information, primarily through electronic commerce
 - Enhancing interpersonal skills to ensure good relationships with customers, peers, and suppliers
 - Increased understanding of how to negotiate effectively

EAA – BOARD ESTABLISHED PURCHASING POLICIES

LEGAL REF: MCL 380.11a; 380.1267; 380.1211; 380.1274; 380.623(a)

The purchasing objective of the board shall be to provide services, materials, and supplies which offer district personnel the most effective and efficient means to perform their tasks. The board shall attempt to acquire these at a minimum possible cost, but taking into consideration the best interests of the district.

It is recognized that the board does not rely upon the Chancellor and his staff to administer the business operations of the schools. Because the board cannot relinquish its responsibility and accountability as an agent of the State and the citizenry of the district, the following guidelines are established with regard to Procurement procedures:

A. General Guidelines

1. In awarding the purchases or contracts for services, the Chancellor shall consider the following: (a) price; (b) quality of product; (c) service, delivery, and maintenance of product; (d) suitability of product; (e) conformance to specifications; (f) past performance to the district; (g) vendor reliability; and (h) other factors deemed appropriate.
2. All purchases shall be made after proper written documentation is secured to support such purchases, excluding purchases of an emergency nature.
3. The board will have a fully operative purchase order system as a means of budgetary control.
4. Vendor competition in Procurement shall be practiced whenever possible.
5. Sufficient amounts must have been budgeted in appropriate accounts and sufficient funds be available in said accounts, or line item transfer approval given by the Chancellor or board according to transfer authority provided by law and approved by the board.
6. The Chancellor shall make available to the board, upon request, the price quotations or competitive bids obtained from vendors for goods and services. These copies are to be retained by the business office until the audit for a fiscal year has been formally accepted by the board.
7. The company that has been determined to offer the best value to EAA on a bid shall be awarded the contract. However, the board reserves the right to accept or reject any bid which it feels is in the best interest of the district and delegates this authority to those responsible for purchases not coming before the board.
8. Final approval of all purchases rests with the Procurement Manager.
9. A center-led Procurement operating model is being developed that forms a center of excellence focused on Procurement strategy, strategic commodities, best practices and knowledge sharing while leaving individual purchases and tactical execution to the individual schools and business units under the supervision of the Procurement Manager. The model leverages cross-functional teams that represent all key business units and empowers the schools and business units to purchase what they require from a list of approved vendors without further competitive bidding.

B. Cooperative Purchasing

The board shall ensure the most competitive purchasing practices possible and authorizes the administration to cooperate with other government agency purchasing offices in taking bids, letting contracts for cooperative purchasing and authorizing payment of invoices for said suppliers. Cooperative purchasing also pertains to what is commonly referred to as “third party bids.” Third party bidding shall constitute a competitive bid for purposes of board policy and state law. Existing State of Michigan MiDEAL Contracts should be leveraged whenever feasible to reduce administrative costs for purchasing and leverage volume discounts.

C. Non-negotiatory Purchases

Non-negotiatory purchases can be made when there is only one supply source as determined by the Procurement Department.

D. Informal Bid (Under statutory limits pursuant to MCL 380.1274)

A competitive bid, price quotation or proposal for products or services that is conveyed by a letter, fax, e-mail or other manner that does not require a formal sealed bid or proposal, public opening or other formalities for purchases of supplies, materials, services or equipment in a single transaction costing less than allowed under current law. Generally relegated to requirements that may be considered low value or fall under a stipulated or statutory price/cost threshold. Name of person, company, date, and time is recorded on all informal quotes.

E. Formal Bid (Over statutory limits pursuant to MCL 380.1274)

1. No purchases shall be made for supplies, materials, services and equipment in a single transaction costing more than allowed under current law unless competitive bids for those goods and services are obtained and the purchase is approved by the board.
2. Such bids shall be opened at a specific time and place as stated in the solicitation. Bids may be opened at the time and place as stated, and analyzed and brought to the board at a regular or special meeting with recommendations as to which bids should be accepted.
3. The board shall have discretion in determining the responsibility of the bidders and shall award the contract to the vendor who has been determined by EAA staff to offer the best value to EAA, provided specifications are fully met. The board may reject any or all bids.

F. Competitive Bid Methods (Dollar amount pursuant to MCL 380.1274)

No purchases will be made of supplies, materials, services or equipment in a single transaction costing more than allowed under current law unless competitive bids for those goods and services are obtained and the Board approves the purchase. Single transactions costing less than allowed under current law requires obtaining competitive bids.

Competitive bid methods (formal) for transactions costing more than allowed under current law:

Request for Quotation (RFQ)
Request for Proposal (RFP)
Invitation to Bid (ITB)
Technology (online posting, reverse auction)
Cooperative purchasing
Comparison same item previously bought within 12 months or under existing long term contract)

Competitive bid methods (informal) for transactions costing less than allowed under current law:

Include all methods listed above
Informal verbal or phone quotes

The Procurement Department determines on an individual basis what competitive bid method to employ.

G. Competitive Bids on Building Construction, Renovation, and Repairs

Prior to commencing construction of a new building, or additions to or repair or renovation of an existing building costing more than allowed under current law, the Board shall obtain competitive bids on all material and labor to be required to complete the proposed construction, addition, repair or renovation. Repair work normally done by District employees is exempted from this bidding requirement.

The Board shall advertise for bids at least once in a newspaper of general circulation in the area where the building or addition is to be constructed, or where the repair or renovation of the building is to take place. The Board shall also post an advertisement for bids on the Department of Management and Budget's website for at least two weeks if the department has designated a website for this purpose. If the Department of Management and Budget designates a school organization website for advertisement purposes, the Department shall include a link on its website to the school organization website.

Such advertisements shall include:

- The date and time that the bids must be received by the Board,
- A statement specifying that the Board will not accept late submissions,

- The date, time, and place the bids will be opened and read by the Board, and
- A statement specifying that each bid shall be accompanied by a sworn and notarized statement disclosing any familial relationship between the owner or employee of the bidder and any member of the Board or the Superintendent of the school district. The Board shall not accept any bids that do not contain this sworn and notarized statement.

All bids must be submitted in sealed envelopes with the name of the bidder and the date of the bid opening plainly marked in the lower left-hand corner of the envelope. All timely received bids shall be opened, read aloud, and examined by the Board at the public meeting specified in the advertisement for bids. No bid shall be opened, considered, or accepted before the date and time specified for bid submission in the advertisement. All bidders and other interested persons are invited to be present when the bids are opened

H. Bonds (section (G) only)

1. Each bidder shall be required to file security with the board in the amount of not less than 1/20th (5%) of the amount of the bid, conditioned to secure the district from loss or damage by reason of the withdrawal of the bid or by the failure of the bidder to enter a contract for performance if the bid is accepted by the board.
2. For vehicles only, the low bidder must file a five percent security bond within 72 hours of the opening of the bid, which may be waived at the discretion of the board. No bond is required at the bid opening.

I. Emergency Purchases

Emergency purchases may be made without using the quotation or bidding process. Such emergencies may arise as a result of an accident or other unforeseen occurrence which could affect the life, health, welfare, or safety of the district's children or employees. Determination of whether a particular situation is an emergency rests with the Procurement Department.

J. Conflict of Interest

Board members and employees shall perform their duties in a manner free from conflict of interest to assure the proper performance of school business as well as to earn and keep public confidence.

No board member or employee shall engage in or have financial interest in any activity that conflicts or raises a reasonable question of conflict with his or her duties and responsibilities.

Substantial Conflict of Interest

If a board member or employee has a substantial conflict of interest in a proposed contract for services, supplies or equipment, the Board shall not enter into that contract. A "substantial conflict of interest" means "conflict of interest on the part of a board member

or employee in respect to a contract with the District that is of such substance as to induce action on his or her part to promote the contract for his or her own personal benefit.”

A board member or employee is prohibited from entering into a contract if the member or employee has a substantial conflict of interest.

Conflict of Interest Disclosure

A board member or employee involved in the contracting process who is employed by or under contract with a business enterprise with which the District is considering entering into a contract, or knows that he or she has a family member who has an ownership interest or is employed by that business enterprise or is aware or, or knows of another’s conflict of interest, the board member or employee is required to disclose this information to the Board in writing before the board enters into the contract. A “family member” means “person’s spouse or spouse’s sibling or child; a person’s sibling or sibling’s spouse or child; a person’s child or child’s spouse; or a person’s parent or parent’s spouse, and includes these relationships as created by adoption or marriage.” Determination of the existence of a conflict of interest does not prohibit the Board from entering into the contract.

Disciplinary Action

Employees who do not comply with the code of conduct policy shall be subject to disciplinary action in accordance with District personnel policies. Board members who violate this provision shall be subject to disciplinary action pursuant to District bylaws.

PURCHASE ORDER PROCESSES

Overview

Purchase orders serve as formal documentation for ordering goods, materials, and/or services from a vendor. A purchase order, once approved, is a binding commitment for a district to remit payment to the vendor after the item(s) and an invoice are received by the district. The splitting of a purchase requirement for like items into two or more purchases for the purpose of circumventing the Procurement procedures, or meeting the lesser requirements of lower transactions, is strictly prohibited.

A purchase order is an important accounting document because it contains information on the expenditure to be made and the account code to be charged. Once issued, the purchase order encumbers funds, which serve as an expenditure control mechanism. Finally, the purchase order is utilized in the accounts payable process as it documents that an order has been received and accepted by the user and payment can be made to the vendor.

Using automated purchase orders, EAA will be able to simplify data entry, automatically check availability of funds, generate fixed asset records, and generate management reports showing Procurement volumes by vendor or by Procurement category. Automated purchase orders also allow the ability to approve orders electronically, resulting in improved turn-around times for

mailing purchase orders. Due to the district's WAN, it is possible for all users to fully utilize the online purchase order system.

The Procurement Manager is the EAA Chancellor's designee to sign and approve all purchase orders for the procurement of goods and services, thereby, ensuring that proper procurement procedures and policies are followed for appropriated funds and that the interests of EAA are protected.

Purchase Order Approval Process

Purchase orders will be approved through one central office by the Procurement Manager. The Procurement Manager will use the following steps as guidelines when reviewing purchase orders for approval:

Produced Purchase Orders – Hardcopy

1. Verify that the purchase request is signed by an administrator that has been authorized to request a purchase for goods and services.
2. Verify that the account number is valid and that the purchase is allowable in terms of what is being requested and from what fund it is being charged to.
3. Review the purchase amount to determine whether informal or formal bidding is needed (See board established purchasing policies (D) (E) (F) (G)).
4. Approve the purchase order if department successfully followed the board established Procurement Policy Guidelines set forth in the Procurement Handbook according to the purchase amount.

Purchase Orders – Electronic Authorization

1. Logon to the Wayne RESA system and follow Purchase Order Authorization instructions.
2. Verify that the account number is valid and the purchase is allowable in terms of what is being requested and from what fund it is being charged to.
3. Review the purchase amount to determine whether informal or formal bidding is needed (See board established purchasing policies (D) (E) (F) (G)).
4. Approve the purchase order if department successfully followed the board established Procurement Policy Guidelines set forth in the Procurement Handbook according to the purchase amount.

PROCUREMENT PROCESSES

Informal Bids

1. Per Board policy, quotations secured in person or by telephone or any of the other competitive bid methods may be used in obtaining purchases for supplies used by the district.
2. In the case of verbal price quotations from the vendors' authorized representatives, and files the quotations along with the name of authorized representative, company, date, and time.

3. The lowest quotation that meets the required specifications is selected.
4. The department completes a purchase order and sends it to the Procurement Manager for review and approval.
5. The Procurement Manager reviews the purchase order and verifies that it contains an accurate and complete description of the desired purchase, date the good or service is needed, department issuing the purchase order, quantity of items, unit price, total dollar amount, proper account number to be charged, recommended vendor with justification, and the individual making the request who has been allocated funds and is authorized to purchase goods and services for his or her account.
6. The Procurement Manager approves or denies the purchase order.
7. The department sends approved purchase orders to the selected vendor.
8. Goods are received by the department and checked against purchase order for accuracy.
9. Invoice is received by department, checked against the purchase order, signed by authorized staff to approve payment, and send to Accounts Payable for payment.

Formal Bids

1. No purchases shall be made for supplies, materials, services and equipment in a single transaction costing more than allowed under current law unless competitive bids for those goods and services are obtained and the purchase is approved by the board.
2. A completed Requisition for Purchase is received by the Procurement Department along with an authorized signature from the department head. This includes an accurate and detailed description of the desired purchase, account code to be charged, and any other pertinent information. The Procurement Manager will work with the requesting department in developing the specifications and the standard language that must be included in the competitive bid.
3. The Procurement Manager verifies if budgeted funds are available, verifies the account number, and verifies signatures on requisitions.
4. The Procurement Manager prepares the bid document and posts the competitive bid.
6. The results of the bid openings will be tabulated and further reviewed by the requesting department, the Procurement Manager, and the Chancellor or his designee. See Bid Award and Quotation Evaluation Considerations below.
7. The bids will be reviewed and awarded by the Board of Education.
8. All selected vendors will be notified by the Procurement Department of the award. This notification will be on official EAA letterhead.
9. A Purchase Order is prepared, entered into the purchasing system, and issued to the selected vendor.
10. Goods are received by the department and checked against purchase order for accuracy.
11. Invoice is received by department, checked against the purchase order, signed by authorized staff to approve payment, and sent to Accounts Payable for final payment.

Bid Award and Quotation Evaluation Considerations

In addition to purchase evaluation factors listed in the Board Established Policies (A)(1), other factors that may be considered for evaluating bids and quotations are:

1. The ability, capacity, and skill of the bidder to perform the contract or provide the service required.

2. Whether the bidder can perform the contract or provide the service promptly and within the time specified without delay or interference.
3. The character, integrity, reputation, experience, and efficiency of the bidder.
4. The quality of performance of previous contracts or services.
5. The equipment and facilities available to the bidder to perform the contract or provide the service.
6. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.
7. The quality, availability and adaptability of the supplies, materials, equipment or services to the particular use required.
8. The ability of the bidder to provide future maintenance, parts, and service.
9. The amount and conditions, if any, of the bid.

SPECIAL PURCHASES

Sole Source Purchase

1. A sole source purchase is defined as a needed item that can only be purchased from a single source. This situation makes it impossible to obtain competitive bids.
2. The Procurement Manager may issue a sole source award under one or more of the following documented conditions:
 - A. The procurement is available from only one source.
 - B. The procurement must match or be compatible with current supplies or services.
 - C. It would not be economically feasible for another vendor to supply the procurement.
 - D. A single vendor is uniquely qualified to meet the District's procurement objective.
3. Documentation from the requisitioning department will be requested to justify why the characteristics inherent in the item make it essential that it be purchased in preference to another brand of lower cost by similar capabilities.
4. Final responsibility in determining whether an item is a proprietary item and may be purchased from a sole source rests with the Procurement Manager and the EAA Chancellor.

Emergency Purchases

Emergency purchases may be made without using the quotation or bidding process. Such emergencies may arise as a result of an accident or other unforeseen occurrences that could affect the life, health, welfare, or safety of the district's children or employees, per board policy.

For example, if windows are broken at a school by vandals, an immediate need exists to not only secure the building, but also to protect the contents from damage by the elements. This type of emergency purchase is normally made after regular business hours or on weekends and holidays. After purchases of this type are made, a purchase order should be issued after the fact on the next business day. Care should be taken that emergency purchases do not result from improper planning rather than from a true emergency. It is important that the district attempts

to eliminate emergency purchases for non-emergency situations as much as possible and requires that all emergency purchases be fully justified.

OTHER COMPETITIVE PROCUREMENT METHODS

Intergovernmental Cooperative Purchasing Agreements

The board authorizes the administration to cooperate with other governmental agency purchasing offices in taking bids, letting contracts for cooperative purchasing, and authorizing payment of invoices for said suppliers.

The Procurement Manager determines which items should be purchased using internally prepared requests for bids and quotations and which items should be purchased using existing intergovernmental cooperative purchasing agreements. The following criteria may be used to determine participation in cooperative purchasing:

- The variety of products and services offered.
- The cost of these products and services, compared with other cooperatives or the school district's individual ability to buy these products or services.
- The timing and method of delivery.
- Participation charges, including administrative and operating costs.
- Reputation for overall service delivery, including problem resolution; and administrative requirements placed on member districts, including paperwork or related issues.

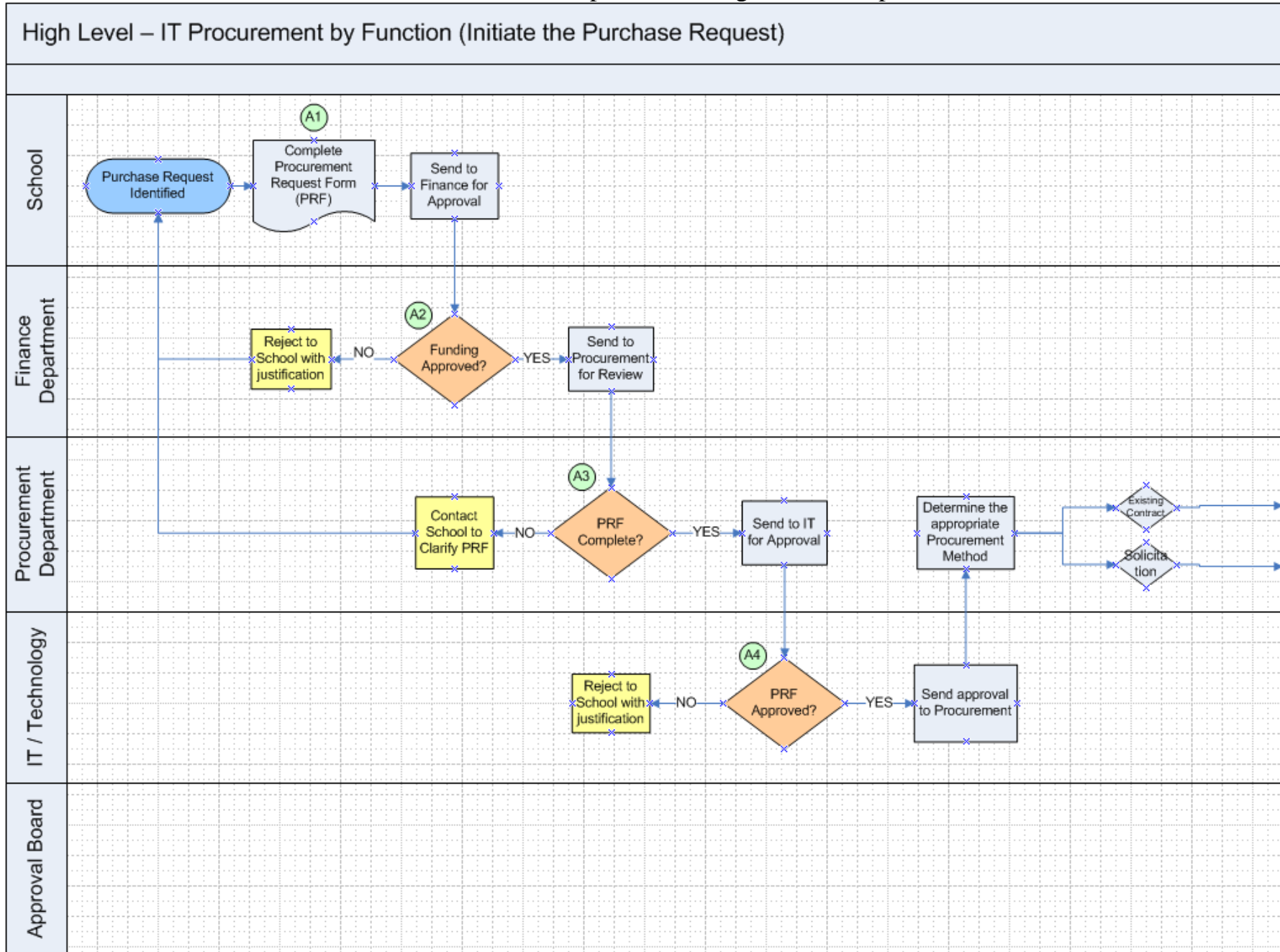
Blanket Purchase Orders

A blanket purchase order is issued to a pre-approved vendor authorizing purchases from that vendor over a period of time. Blanket purchase orders are valuable because they allow the purchase of items quickly. Both paperwork and related processing costs usually are reduced by blanket purchase orders. Blanket purchase orders are issued to that supplies, materials, or services are available "as needed" by user departments. Blanket purchase orders are to be used when:

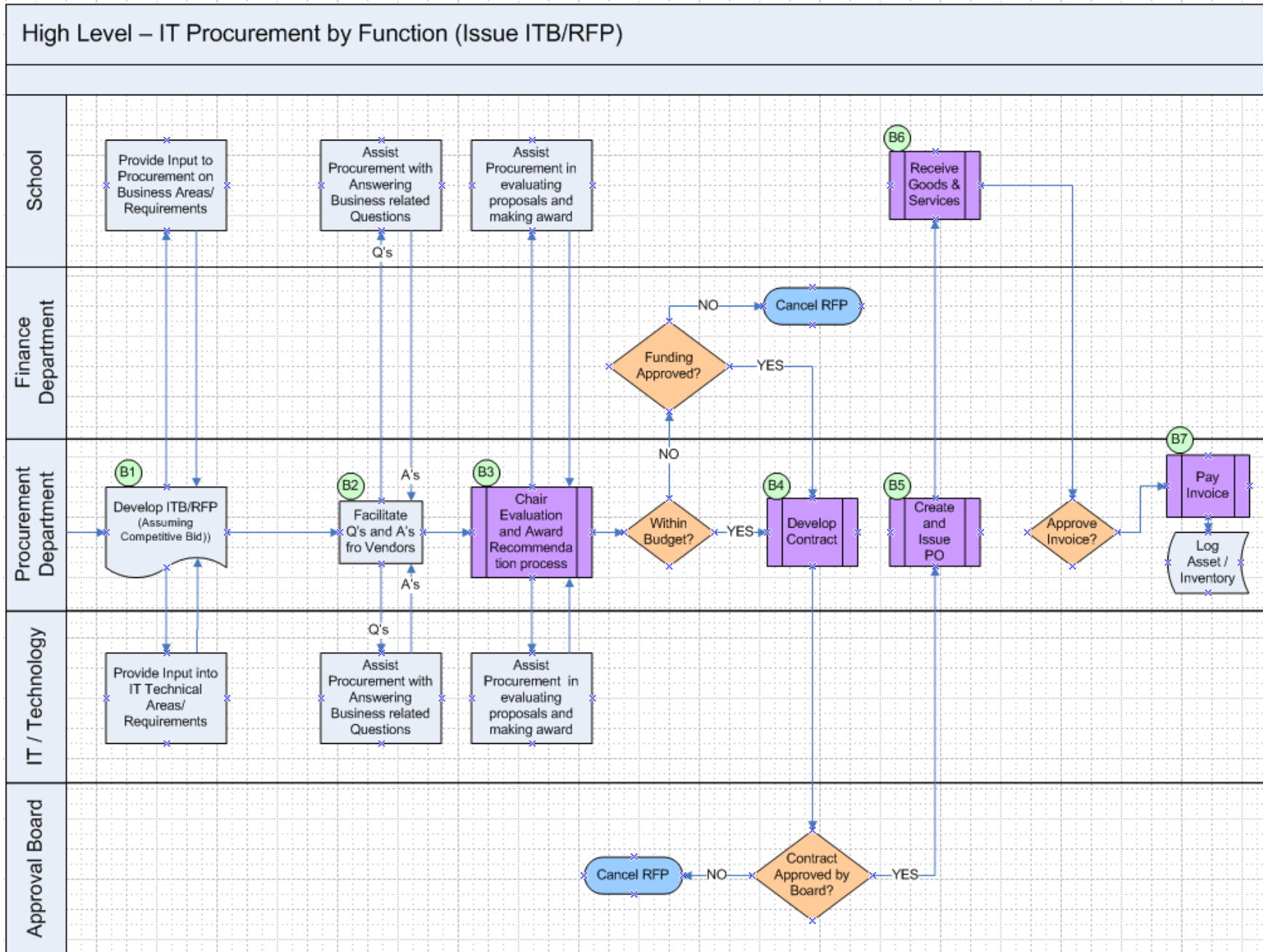
- Repetitive, specified items are purchased on a monthly or other reoccurring basis.
- Purchases enable the buyer to obtain more favorable pricing through volume commitments.
- The use of this procedure should not adversely affect the use of other purchasing techniques that might produce greater discounts.

Usually this type of purchase order remains in effect for only a specified amount of time and has a specified dollar limit. During this time period, the district may purchase certain specified items from the vendor not exceeding the total dollar limit without issuing additional purchasing orders. Certain **controls**, however, should be in place for the use of blanket purchase orders. For example, the number of vendors to whom blanket purchase orders are issued should be limited, those who can make purchases under blanket purchase orders should be clearly designated, and the dollar limits should be carefully observed. In all cases, blanket purchase orders must have the approval of the Deputy Chancellor, or a delegated representative.

Attachment 1 – Sample Purchasing Process Steps Workflow



Attachment 1 – Sample Purchasing Process Steps Workflow



Section A: Purchase Request Initiation

A1: Complete the Purchase Requisition (PR)

Functions Involved:
<ul style="list-style-type: none">○ School

The School will complete a template form upon identification of the need to procure an IT product or service. This form will include the following key information necessary for internal and external review:

- Requestor Contact Information
 - Requestor School/Department Information
 - Requestor Name
 - Requestor Telephone / E-mail
- Procurement Details
 - Requested IT Software, Hardware or Service Title
 - Short Description of Product/Service requested
 - Short Description of the Purpose/Business Case
 - Short Summary of any Risks/Liabilities resulting from not procuring good or service
- Budgetary / Accounting Information
 - Estimated Dollar Value (estimated over the life of the procurement)
 - Funding Source Detail / Accounting

Action Items:

- I. Complete the PR
- II. Send completed PR to Finance Department

A2: Review the PR Funding Information

Functions Involved:
<ul style="list-style-type: none">○ Finance Department

The Finance Department will review the Budgetary / Accounting information to ensure the request can be funded and determine the validity of the estimate:

Action Items:

- I. Clarify any items with the School that are unclear or lacking detail
- II. Approve PR and Funding amount requested for project and route to Procurement Department
- III. Reject the PR and Funding amount requested for project and route back to the School

Attachment 2 – Example Purchasing Process Description

A3: Review the PR Procurement Details

Functions Involved:
○ Procurement Department

The Procurement Department will review the Procurement Details to ensure the requested products/services outlined in the PR are clear enough to share with the Departments for their review and approval. Procurement t will work with the School to clarify the request as needed to determine next steps. Additionally, Procurement will make a recommendation as to what procurement method the School should pursue to obtain the requested goods/services

Action Items:

- I. Clarify any items with the School that are unclear or lacking detail
- II. Recommend a procurement method for obtaining goods/services:
 - a. leverage existing contract
 - b. leverage cooperative agreement
 - c. Informal Quotation Process
 - d. Formal Competitive Quotation Process
 - e. Competitive Bid
- III. Route the Request for Approval

A4: Review the PR Procurement Details

Functions Involved:
○ Business Owners

Business owners will review the recommendation made by Procurement surrounding the strategy for obtaining the good/services and will approve/deny this approach. If the request is approved they will assign staff to review the requirements as necessary depending on the product/service desired

Action Items:

- I. Clarify any items with the School and Procurement that are unclear or lacking detail
- II. Ensure that the request fits within the technology roadmap and does not result in a duplication of existing software solutions/products
- III. Approve the PR and route to the Procurement for execution of the appropriate procurement method

Section B: Competitive Bid (ITB/RFP)

B1: Develop ITB/RFP

Functions Involved:
<ul style="list-style-type: none">○ School○ Procurement Department (Lead)○ IT Department○ Finance Department○ Legal Department○ Other

Completion of the Solicitation Requirements and SOW

Procurement will work with the School and various Departments to facilitate the drafting of the solicitation for competitive bidding. Procurement will maintain an RFP and ITB template that will be completed by the School with assistance from Procurement. The template will include boilerplate contract language as well as instructions for the School to complete. Depending on the specific product/service requested, various Departments will be asked to provide technical requirements if applicable. The Procurement Specialist will ensure that the solicitation package is comprehensive, complete and vendor neutral to facilitate a competitive solicitation process.

Final approval of the Solicitation Package

The School and Departments will review the final solicitation package and provide their approval of its content prior to Procurement posting the solicitation for competitive bids. This will include all solicitation documents as well as the procurement schedule.

Posting of the Solicitation Document

Procurement will post the solicitation to the public procurement site and notify vendors who provide matching products and services.

Action Items:

- School
 - I. Complete the solicitation template, capturing business requirements
 - II. Review the final solicitation package and provide approval to Procurement
 - Procurement Department
 - I. Provide the latest solicitation package template to the School
 - II. Assist the School and IT Department with drafting the business and technical requirements
 - III. Review the solicitation package for completeness and facilitate updates as necessary
 - IV. Post the solicitation package to the public procurement site
 - Department
 - I. Complete the solicitation template, capturing technical requirements
 - II. Review the final solicitation package and provide approval to Procurement
-

Attachment 2 – Example Purchasing Process Description

B2: Facilitate Vendor Questions and Answers

Functions Involved:
<ul style="list-style-type: none">○ School○ Procurement Department (Lead)○ IT Department○ Finance Department○ Legal Department○ Other

Procurement will facilitate the answering of vendor questions related to the published solicitation working with the School and Departments as necessary. Answers to questions will be provided as a published addendum to the public procurement site.

Action Items:

- School
 - I. Assist Procurement with providing answers to vendor questions
 - Procurement Department
 - I. Receive questions from vendors and publish addendum with input from other functional areas
 - Departments
 - I. Assist Procurement with providing answers to vendor questions
-

B3: Chair Evaluation Committee

Functions Involved:
<ul style="list-style-type: none">○ School○ Procurement Department (Lead)○ IT Department○ Finance Department○ Legal Department○ Other

Procurement will chair any evaluation committee meetings and schedule the appropriate stakeholders from the School and Department

Action Items:

- School

Attachment 2 – Example Purchasing Process Description

- I. Review proposal materials prior to the evaluation meeting and participate as requested by Procurement
 - Procurement Department
 - I. Facilitate evaluation meetings, prepare written support for selected vendor and notify bidders of award recommendation
 - Departments
 - I. Review proposal materials prior to the evaluation meeting and participate as requested by Procurement
-

B4: Develop Contract

Functions Involved:
<ul style="list-style-type: none">○ School○ Finance Department○ Procurement Department (Lead)○ Legal Department○ Approval Board

Prior to developing the Contract, if the funding amount approved as part of the PR request is exceeded by the actual awarded bid, the Finance Department will have to review the actual proposed pricing to provide their approval of the revised amount.

Procurement will draft the Contract with assistance from the School and Departments and negotiate the pricing terms and conditions with the awarded vendor.

Action Items:

- School
 - I. Review Contract compiled by Procurement
 - II. Provide Procurement with approval to execute agreement
- Finance Department
 - I. If necessary (due to higher than anticipated proposals) approve dollar value for awarded Contract
- Procurement Department
 - I. Develop Draft Contract based on RFP, Addendum, Proposal and negotiated items
 - II. Facilitate discussions /negotiations with the Contractor
 - III. Submit contract to Approval Board
- Other Departments

Attachment 2 – Example Purchasing Process Description

- I. Review Contract compiled by Procurement Manager
 - II. Provide Procurement Manager with approval to execute agreement
-
- Approval Board
 - I. Review Contract and Approve
-

B5: Create and Issue Purchase Order

Functions Involved:
○ Procurement Department

After the Contract is executed, Procurement will issue the Purchase Order to encumber funds and facilitate the accounts payable process to document that the goods and services have been received and accepted by the School and payment can be made to the Contractor.

Action Items:

- Procurement Department
 - I. Issue Purchase Order
-

B6: Receive Goods and Services and B7: Pay Invoice

Functions Involved:
○ School
○ Procurement Department

The user of the goods and services will receive and confirm receipt of good and service to Finance so that the invoice can be paid in a timely manner.

Action Items:

- School
 - I. Receive goods and services
 - II. Provide confirmation of receipt of goods and services to Procurement Department
 - Finance
 - I. Receive Invoice
 - II. Confirm that goods and services were delivered
 - III. Issue payment in accordance with the payment terms of the Contract
-