

UB PROCUREMENT 101

JordanAnn Wilson
Dalton Holler



University at Buffalo
Office of the Vice President
for Finance and Administration



What does the Procurement Department Do?

- Procure Commodities and Services
- Evaluate Pricing
- Policy Compliance
- Negotiation
- Project Management
- Community Outreach



Tips for a Successful Purchase

- Know what funding source you will be using
- Know how much funding you have available
- Allow enough time for order processing
- Be aware of your departmental path for approvals
- Contact purchasing for guidance and assistance

Purchasing Methods

The process to make a purchase depends on the goods and services you're ordering, your funding source, and the dollar amount of your purchase.

Procurement Card	eReq / ShopBlue	Bids
<p>For state purchases up to \$4,999, and UBF and RF purchases up to \$2,500.</p> <p>One-time increases can be granted with approval from both Purchasing and PCard.</p>	<p>For state, UBF and RF purchases for any dollar amount.</p>	<p>Required for state when over \$50,000. Recommended for RF and UBF when over \$50,000.</p> <p>Can be used with any dollar amount. Typically an IFB or RFP.</p>



Purchasing Dollar Thresholds

For Requisitions \$0 — \$4,999

State	RF	UBF
Price must be reasonable	Price must be reasonable	Price must be reasonable
Include quote or product specification	Include quote or product specification	Include quote or product specification
Purchasing verifies if price is reasonable	Purchasing verifies if price is reasonable	Purchasing verifies if price is reasonable
*Estimated order time: 3 to 5 business days	*Estimated order time: 3 to 5 business days	*Estimated order time: 3 to 5 business days

*These timeframes assume the vendors are currently in the supplier file. New vendors may take up to two weeks. Purchasing has the final say in vendor selection.

Purchasing Dollar Thresholds

For Requisitions \$5,000 — \$9,999

State	RF	UBF
Price must be reasonable	Price must be reasonable	Price must be reasonable
**Obtain 2 or 3 quotes	**Include quote or product specification	**Include quote or product specification
Purchasing verifies if price is reasonable	Purchasing verifies if price is reasonable	Purchasing verifies if price is reasonable
*Estimated order time: 5 to 15 business days	*Estimated order time: 3 to 5 business days	*Estimated order time: 3 to 5 business days

*These timeframes assume the vendors are currently in the supplier file. New vendors may take up to two weeks. Purchasing has the final say in vendor selection.

**All sole/single source procurements require written justification.

Purchasing Dollar Thresholds

For Requisitions \$10,000 — \$49,999

State	RF	UBF
Price must be reasonable	Price must be reasonable	Price must be reasonable
**Obtain 2 or 3 quotes	**Obtain 2 or 3 quotes	**Obtain 2 or 3 quotes
Purchasing verifies if price is reasonable and obtains required forms from suppliers	Purchasing verifies if price is reasonable	Purchasing verifies if price is reasonable
*Estimated order time: 5 to 15 business days	*Estimated order time: 5 to 15 business days	*Estimated order time: 5 to 15 business days

*These timeframes assume the vendors are currently in the supplier file. New vendors may take up to two weeks. Purchasing has the final say in vendor selection.

**All sole/single source procurements require written justification.

Purchasing Dollar Thresholds

For Requisitions \$50,000 +

State	RF	UBF
Advertised in New York State Contract Reporter	Price must be reasonable	Price must be reasonable
**Minimum of 3 sealed bids solicited by Purchasing (only purchasing can perform bidding)	**Obtain 3 written quotes	**Obtain 3 written quotes
Purchasing of services >\$50K require approval from the state	Purchasing verifies if price is reasonable	Purchasing verifies if price is reasonable
*Estimated order time: commodities up to 5 weeks; services 3-6 months	*Estimated order time: up to 3 weeks	*Estimated order time: up to 3 weeks


*These timeframes assume the vendors are currently in the supplier file. New vendors may take up to two weeks. Purchasing has the final say in vendor selection.

**All sole/single source procurements require written justification.

Purchasing Dollar Thresholds

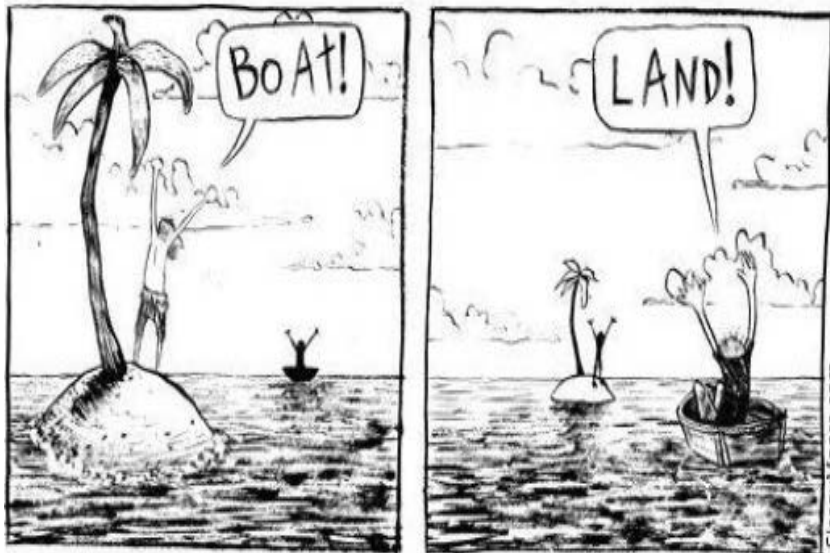
Examples of Reasonableness of Price

- The vendor's published price list and documented discount
- Prior invoices from this vendor to other consumers
- Invoices or cost sheets from prior state contracts
- Comparisons to other vendors' prices for similar products/services
- Comparison to similar purchases by other campuses
- Price or cost analysis
- Historical cost or price comparison



Note: There are many ways to determine reasonableness. Two or three of these ways should be used.

Perspective Matters



Stranded on a desert island, finally a way out of here!

Lost at sea, finally some land!

- Consider the supplier's and procurement's operating reality
- Receive a purchase order from purchasing BEFORE you order a service or commodity
- Extend a professional courtesy to suppliers by making sure they can get paid in a timely manner

Single Source:

Although two or more suppliers can provide the required commodity or service, UB selects one supplier over another

Sole Source:

Only one supplier is capable of supplying the required commodity or service

Written Justification:

Include signed, [single/sole source justification](#) when submitting your order to Purchasing. Must include the following:

- Basis upon which it was determined that there is only one known supplier
- Steps taken to identify potential competitors
- Basis upon which it was determined the cost is reasonable

Types of Documentation

What is needed with your request?

Quote or Invoice with itemized costs/details; depending on dollar thresholds, multiple competitive quotes may be needed

Additionally:

- **Events:** Roster of attendees along with a description of the event
- **Consultants:** All expenses must be documented, and must be allowable (for example, GSA per diem for travel)
- **Departmental Justification:** Required if you wish to buy from a non-contract supplier (NYS or UB contract); approval may not be granted
- **Trademarks/Licensing:** approval and proof required from UB Communications office for any items with UB logos or branding.

Definitions

IFB (Invitation For Bid):

- An invitation to suppliers to submit an offer on a specific project to be realized, or product/service to be furnished.
- Focused on pricing; lowest bid wins so long as they meet requirements and specs (pass/fail)

RFP (Request For Proposal):

- Process of soliciting proposals from suppliers based on total value
- Points for evaluation of technical criteria of supplier; factors other than price are relevant (experience, qualifications, references, etc.)

Supplier Diversity

The supplier diversity program aligns resources with initiatives to create a comprehensive, university-wide focus on economic opportunities for diversity suppliers.

Type	Criteria	University Spend Goals	Certification
MWBE – Minority/Women Owned Business Enterprise	51% owned by a woman or minority with less than 300 full time employees	30% state dollars	NYS certified through Empire State Development
SDVOB – Service Disabled Veteran Owned Business	51% owned by one or more service disabled veterans	6% state dollars	Certified by the Division of Service-Disabled Veterans' Business Development

Supplier Diversity Responsibility

PROCUREMENT

- Match diversity supplier with university buyers, faculty and staff
- Educate suppliers about UB bid procedures and requirements
- Include diversity suppliers in competitive bidding process

FACULTY AND STAFF

- Support the university's commitment to supplier diversity
- Be aware of the requirements to use diversity suppliers

Approval Authority

Procurement Contracts:

Any contract that obligates university funds

- Requires review and approval by appropriate procurement personnel.
- Procurement contracts otherwise signed outside the procurement office legally obligate the individuals signing the contract as they are not authorized to represent UB.
- Departments **SHOULD NOT** sign quotes/proposals from suppliers

State Funded Contracts

- Risk Management - better defined scope of work and terms and conditions
- Required by state based on amount, term and number of payments
- Allows for multi-year agreements and relationships
- Contracts will be loaded in ShopBlue for ease of use and tracking total spend

SHOPBLUE

UB's new, fully integrated, internet based eProcurement system that will be replacing eReq.

BENEFITS:

- One stop shop for all procurement activity
- Increased efficiency through reduced time in procurement and payment process
- Customizable and personalized user profiles
- Enhanced reporting and tracking capabilities – greater visibility for all departments
- Streamlined purchasing process by electronically routing items through various ordering stages.
- Promotes contract compliance

SHOPBLUE

ROLLOUT PLAN:

- Phased rollout – Orders to flow through the entire workflow before onboarding additional departments
- In preparation, departments should review training materials, explore the test site and review departmental approval process

CURRENT STATUS:

- Currently 6 departments using ShopBlue
- Only State and RF funds

MORE INFO:

- Business Day Table
- <http://www.buffalo.edu/shopblue>

**Note: DO NOT
begin using
ShopBlue unless
directed to do so
by procurement**



UB's Centralized Amazon Account

- Amazon orders only acceptable with P-card
- Free business Prime shipping on the centralized account
- Goal date to have everyone transitioned from their personal business account: July 2019
- Contact JordanAnn Wilson in the Procurement department for invitations and questions
jw353@buffalo.edu or (716) 645-4575

Contact Us For Help

- www.buffalo.edu/procurement
- Contact a Procurement Expert
- Information on commonly purchased goods/services
- Guidelines, Policies and Forms
- Procurement Card (P-Card) Program
- Information on receiving and paying for goods/services
- Access business systems – eReq, ShopBlue, SIRI, Concur

Accounts Payable

- Contact: 645-2676
- Find the correct AP contact – determined by funding source and supplier

The screenshot shows the 'Administrative Services Gateway' website. The header includes the University at Buffalo logo and the tagline 'Building partnerships through collaboration'. Navigation tabs include 'Human Resources', 'Managing Facilities', 'Managing Procurement', and 'Managing Money'. A search bar and 'INFO FOR' dropdown are also present. The breadcrumb trail reads 'Administrative Services > Managing Procurement > Find a Procurement Expert'. The main content area is titled 'Find a Procurement Expert' and describes the role of procurement experts. A list of links is provided, with 'For Payments to Suppliers' highlighted by a red box. Other links include 'See Our Buying Teams', 'For Buying Goods and Services', and 'For eReq (Electronic Requisitions)'. The footer shows the year '1846' and the page number '22'.

University at Buffalo
Administrative Services Gateway
Building partnerships through collaboration

Forms Policies Training

Human Resources Managing Facilities Managing Procurement Managing Money

SEARCH Q INFO FOR v

Administrative Services > Managing Procurement > Find a Procurement Expert

Managing Procurement

- Getting Started in Managing Procurement
- UB Procurement Guidelines and Policies
- Find Commonly Purchased Goods and Services
- Using University Space and Facilities
- Electronic Procurement (eProcurement)

Find a Procurement Expert

Procurement experts are available and eager to assist you in achieving the best outcome with ordering strategy, price, supplier payment, or inventory management. Look up the specific expert to help you.

- See Our Buying Teams
- + For Buying Goods and Services
- + For Payments to Suppliers**
- + For eReq (Electronic Requisitions)

1846 22



QUESTIONS?

Dalton Holler

daltonho@buffalo.edu (716) 645-4547

JordanAnn Wilson

jw353@buffalo.edu (716) 645-4575