



UNIVERSITY OF
NOTRE DAME

Procurement Services

Policy Manual

Last Revised: May 2017

Revision History

Date	Notes
2008	Initial version
Dec 2014	Updated statement for Uniform Guidance
Jan 2015	Updated “Vendor Selection Form” to “Supplier Selection Form” Removed blank sections for Printing, Leasing, Books & Periodicals, Food Purchases, and Supplier Diversity Program Changed “Commodity Purchase Matrix” to reflect “listing of preferred suppliers on buy.nd.edu”
May 2017	Updated note on delay of implementation for Uniform Guidance per OMB announcement

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Introduction

Vision

To be the premier procurement organization within higher education.

Mission

Through **strategic sourcing, contract management** and **innovative solutions**, Procurement Services, in collaboration with the rest of the Controller's Group, strives to further the mission and goals of the University by **facilitating** the procurement process, **mitigating risk** and **maximizing value** in each transaction.

Core Values

In alignment with the core values of the University: **integrity, accountability, teamwork, leadership in excellence** and **leadership in mission**; Procurement Services also places an emphasis on **exceptional customer service, responsible stewardship** and **impeccable professionalism**.

Services

Procurement Services delivers procurement tools, policies, standards and procedures needed to accomplish the Mission of the University while establishing strategic alliances, promoting community relations and minority business development programs and promoting ethics in purchasing. **Sourcing and Bidding:** Procurement Services provides University departments with sourcing (the identification of sources of supply for a particular product or service) and bidding services. In addition, Procurement Services sets policies and procedures on bidding requirements for the University. The policies comply with legal, statutory and federal purchasing regulations or guidelines. Procurement Services will assist departments in identifying potential suppliers and obtaining bids. For large and/or complicated transactions, a request for proposal (RFP) will be sent to potential vendors to ensure the appropriate specifications or scope of work, price, and contract terms are present.

Procurement Systems: This functional unit has the responsibility for managing the " *buyND*" e-Procurement system which provides electronic requisitioning, catalog management, order transmission, receiving, ERP integration, and vendor web enablement. In addition, this unit is responsible for other Internet procurement tools, data analysis, and department web site support.

Quality Assurance, Compliance and Risk Mitigation: Procurement Services will assist colleges/departments by verifying that contract terms are followed, pricing/payment terms are advantageous and goods/services are received properly. In addition, this unit provides the business planning and management of purchasing including targeting commodities for aggregation, reporting supplier performance, and monitoring spending patterns.

Training, Marketing and Communications: Procurement Services utilizes several avenues to inform campus constituents about new services, strategic contracts and training. These include the *buyND* and *travelND* webpages, campus email communications, training sessions, informational meetings and postings on buy.nd.edu.

Vendor Relations: The University of Notre Dame encourages and supports doing business with minority, women, veterans, disadvantaged, and small businesses. In accordance with this policy, Procurement Services is committed to developing a program that ensures these vendors can participate in the competitive process to the extent possible. The program includes actively searching for these businesses, providing information on how to do business with Notre Dame, as well as the creation and maintenance of a database of participating vendors. This would include the generation of reports to be shared with principal investigators, grant offices, community relations and executive leadership to help promote participation. It will also assist in meeting federal compliance requirements as applicable.

Code of Ethics

Individuals purchasing goods and services on behalf of Notre Dame shall conduct business in a manner that is consistent with both the Mission of the University and Procurement Services, as well as the Catholic principles on which the University was founded. Purchasing activities shall be conducted in a professional manner and all qualified vendors should be given an equal opportunity to compete for University business.

Procurement decisions should be made with integrity and objectivity, free from any personal bias or benefit. In addition, employees of Procurement Services as well as those faculty and staff purchasing goods and services as permitted under these policies shall conduct themselves in accordance with the [Code of Ethics established by the National Association of Educational Procurement](#).

The following practices, which might gain a short-term advantage, will damage Notre Dame's reputation and should not be used.

- Giving fictitious information regarding a competitor to extract similar terms from the supplier.
- Requesting bids without the intent to purchase.
- Letting one supplier see another supplier's proposal.
- Obtaining concessions by promising future orders, knowing such orders are unlikely or will never occur.
- Obtaining a sophisticated proposal from a supplier that took time and resources to prepare without intending to purchase from that supplier.
- Revealing a supplier's prices to another supplier and inviting that supplier to beat them. "Bid shopping" is highly unethical, gaining a one-time advantage at the expense of doing lasting harm to the reputation of the person and organization doing it. Procurement Services does not disclose price information to unsuccessful bidders. Bidders should feel assured that all aspects of a bid have been held in confidence.

Conflict of Interest Policy

All University employees are to adhere to the University's [Conflict of Interest Policy \(PDF\)](#) maintained by the Office of General Counsel.

Methods of Procurement

A listing of preferred suppliers and methods of purchase is listed on the buy.nd.edu website. The purchase methods include Purchase Orders generated by the University's buyND e-Procurement system, purchases from approved vendors using a University Procurement Card or Travel Card

Check/Cash requisition for certain items, and employee reimbursement for emergency and some travel purchases. Details regarding each ordering method are as follows:

buyND e-Procurement System

buyND provides on-line requisitioning, catalogs, and punch-out capabilities to vendor web sites. *buyND* is the preferred method of purchasing goods and services at the University of Notre Dame, with exceptions identified for the Procurement Card program, check requisitions, and employee reimbursement. Visit the [buyND website](#) for more detailed information.

Procurement Card

The Procurement Card program at the University of Notre Dame provides an efficient way to purchase low-dollar business-related goods and services. The Procard:

- Is the preferred purchasing method for items less than \$1,500 where there is no *buyND* catalog to support the purchased item;
- Cannot be used to purchase from vendors who are competitors of University strategic vendors.

Please visit the [ProCard website](#) for the User Guide or contact the Procurement Card Administrator at (574) 631-4645 or email procard@nd.edu.

Check Requisition

Check requisitions may be used for the items identified within the Commodity Purchase Matrix. For authorized transactions only, complete the [Check/Cash Requisition](#), attach the original invoice, and submit the paperwork to Accounts Payable at 725 Grace Hall. Colleges/Departments utilizing the check requisition form are still required to follow University bidding policies.

Employee Reimbursement

The [Expense Report](#) should be used to reimburse University faculty, administrators, staff, and students for travel and entertainment expenses. Employee reimbursement should only be used for emergency purchases of goods or services. Under no circumstances will an employee reimbursement be an allowable means of circumventing strategic vendor relationships.

Bidding Policy

Procurement Services' responsibility for University expenditures dictates the following policy with regard to competitive bidding. This policy calls for acceptance of the best bids based on prices and other factors pertinent to the specific purchase. The following dollar threshold levels have been established to promote competitive bidding and increase the efficiency of the procurement process.

Unrestricted Funds Bidding Policy

Orders totaling

Responsibility

Formal Bidding Procedures

Up to \$4,999	Departmental or Procurement Services	Recommended that written or verbal quotations be obtained from several sources
\$5,000 to \$24,999	Departmental or Procurement Services	Three written quotations must be obtained, either by the department or Procurement Services
\$25,000 and over	Procurement Services	Procurement Services and the department may initiate the bidding process unless there is sufficient sole source justification

For purchases less than or equal to \$4,999, requisitioning departments should follow their own judgment in identifying potential vendors. However, Procurement Services can facilitate this process by supplying lists of preferred vendors, negotiating discounts, and providing support as requested.

For purchases between \$5,000 and \$24,999, three written quotations must be obtained. Departments have two (2) options:

1. Request Procurement Services to solicit bids and provide a summary of results for the requisitioner's review and evaluation. Procurement Services requires a minimum of two weeks for the bidding process. Additional time should be planned for should a legal and business review of all the submitted bids be needed.
2. Obtain three written bids, complete the Supplier Selection Form and attach the form to the buyND requisition. Departments may be asked to submit these bids to Procurement Services for review. If there are limited sources of supply, colleges/departments are to provide sufficient justification for the purchase. If the college/department cannot identify three suppliers, Procurement Services should be contacted prior to requesting bids to help identify additional suppliers.

If the purchase is to exceed \$25,000 a formal Request for Bid (RFB) or Request for Proposal (RFP) performed by Procurement Services may be done.

Grants Bidding Policy

For all the purchases under the Federal Government Grants Programs, the University of Notre Dame abides by the Circular A-110 of the Office of Management and Budget of the United States. OMB A-110 requires:

- basis for vendor selection
- justification for selected or sole source purchases, and
- basis for the price of the purchase

Note: Pursuant to the [Federal Register notice issued by the OMB](#) on May 17, 2017, the University will delay the implementation of procurement standards 2 CFR 200.317 through 200.326 until the fiscal year beginning after Dec 26, 2017. Until then, the University will continue to comply with the OMB A-110 circular.

[As of December 2014, the University has decided to delay the implementation of the procurement standards as allowed by OMB's Uniform Guidance. The University will continue to comply with the OMB A-110 circular for one additional fiscal year which begins after December 26, 2014.]

The volume of purchases under \$5,000 makes it impractical to supply written documentation for each purchase. Procurement uses sound business judgment and relies on professional experience in making the buying decision. Written documentation is not required for transactions under \$5,000, unless Buyer's judgment indicates otherwise. Nevertheless, Procurement ensures that the price is fair and reasonable and that the award is made to the supplier whose offer is most advantageous to the institution. Buyer documents these facts and attests that supplier selection and price determination has taken place in accordance with the principles outlined below by approving the purchase requisition.

For purchases between \$5,000 and \$24,999, requisitioning departments and Procurement Services shall follow the procedures outlined in the Unrestricted Funds Bidding Policy section above. Price analysis also applies to these purchases. Procedures should include the comparison of price quotations submitted, market prices, description of all available discounts not available to the general public that reflect substantial savings, comparison of obtained prices to previous prices paid for the same or similar items, and other considerations that justify the accepted bid.

For purchases in excess of \$25,000, the current small purchase threshold level defined by the OMB A-110, Procurement Services, where practical, must complete a price analysis and conduct competitive bidding procedures with at least three bids obtained and analyzed. Also, the Request for Proposal (RFP) should be initiated, as outlined in the Unrestricted Funds Bidding Policy section above. Procurement Services must keep all the documentation related to all purchases in excess of \$25,000, so the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to all the books, documents, and contractor's records, which are directly pertinent to specific procurement programs.

Bidding Procedures

The competitive bidding process for goods and services is useful for several reasons. The bidding process:

- allows the buyer to make an informed and objective choice among potential vendors
- encourages competition among vendors
- creates a standard for the buyer to compare price, quality, and service
- gives the buyer a list of qualified vendors for future bids

The requisitioning department is encouraged to work with Procurement Services early in the requisitioning process. Quotations or sole source justification are required for all orders greater than \$5,000 where an existing contract is not in place.

RFB Process

A request for bid (RFB) is an invitation for vendors to bid on established standards or specifications that are:

- Generally for a one time purchase of a product

- Driven primarily by pricing

Department Led Bids

For items less than \$25,000, departments can obtain bids from vendors. The following are some tips on preparing bids:

1. Utilize bidding templates established by Procurement Services All vendors should receive identical copies of the RFB or RFP and any subsequent changes in the bid specification.
2. All vendors must be notified in writing via an addendum if the bid specifications change. Every consideration should be given to allow sufficient time for all bidders to accommodate the requested changes, bid extensions are allowed if requested and appropriate. All vendors should be notified of the extension in writing via addendum. If the deadline is extended for one vendor, it must be extended for all.
3. Specify a deadline for submitting all bids. The deadline should be reasonable to provide time for quality responses.
4. When the bids are received, the buyer should sign, date and indicate the time that each is received. ***All competitive bids are confidential and should never be used as a bargaining tool.***

In all instances, colleges/departments must adhere to the University's Ethical Principles regarding purchasing goods and services.

Procurement Services Led Proposals

If the bid is over \$25,000, or a college/department would like assistance obtaining bids, contact the Procurement Services person responsible for the commodity/service according to the buy.nd.edu (new and specific link to the commodity is being developed) web site. Departments are encouraged to suggest suppliers if known. Procurement Services will manage the bid process and send prospective suppliers a written description of the goods or services needed on a standard Request for Bid (RFB) form. This process ensures that all bidders receive the same information and the requesting department is relieved of the burdens of dealing with multiple vendors. Special instructions and deadlines will also be communicated. Planning ahead for purchases, providing descriptions that are accurate and complete, and indicating any time constraints help this process move smoothly.

Procurement Services will evaluate the bids and submit a recommendation to the departments. A **Supplier Selection Form** will be prepared and forwarded to the departments. A letter of justification must be submitted to Procurement Services if a user specifies that the product or service should be purchased from a particular vendor even though other vendors sell a similar product or service at a lower price. This letter must provide sufficient justification for the selection

RFP Process

A request for proposal (RFP) is an invitation for vendors to submit a proposal for a product or service based upon a concept or scope of work. RFPs:

- are more complex and lengthier than a RFB;
- generally end up with long-term relationship;

- have various selection criteria and includes items such as quality, company stability, price, reputation, and terms and conditions;
- involve a selection/evaluation committee representing a cross-section of University constituents make selection recommendation;
- may request a Pre-Proposal Conference where vendors are invited for a presentation and will have the opportunity to ask questions.

RFPs request similar information contained in the RFB, but also request a statement from vendors on how they plan to meet stated objectives and what unique contributions they would make towards achieving the goals outlined in the proposal. Vendors shall be asked to outline how they plan to meet specific challenges the proposal, i.e., time constraints or on-site training for end users.

RFPs are broken into three (3) different categories: Procurement Services led, college/department led, or a hybrid. Procurement Services led bids generally involves commodity items or areas within the department. An example is office supplies. Departmental led bids involve complex commodities where specific knowledge is within a department. An example of this is any Human Resources RFP for benefits. In these cases, Procurement Services provides support regarding the RFP process, selection process, and vendor contact. Finally, some RFPs involve expertise from Procurement Services and colleges/departments (hybrid). An example of this is furniture, where Interior Design, Office of University Architect and Procurement Services each have expertise and would contribute to the specifications and performance requirements.

Bid/Proposal Evaluation

When evaluating bids/proposal, the requisitioning departments and Procurement Services shall give consideration to the selection criteria established by the departments in conjunction with Procurement Services. Typical criteria are:

- Price
- Bidder's previous record of performance, service, and references
- Ability of bidder to render value-added services (training, maintenance, etc.)
- Delivery schedule
- Warranty
- Terms and conditions
- Disposal value

If the lowest bid/proposals is found unacceptable because of one or more factors above, the department manager/Procurement Services representative shall document a concise and factual justification for the decision in written form. The Director of Procurement Services has the ultimate responsibility for determining if the justification for the decision supports the decision should there be disagreement about the award.

Tips on evaluating bids/proposals:

1. Narrow the field by determining which vendors are "responsive". A "responsive" bid provides all of the information asked for and addresses all of the issues in the RFB or RFP. Eliminate bidders who are unresponsive.

2. Look carefully at proposed prices. Be wary of a vendor who substantially underbids his competitors. They may be "low-balling" to win the bid, but the product may be of inferior quality, not meet specifications or the vendor may be unable to meet the delivery requirements. A substantially lower price might also indicate that the vendor has misunderstood or misinterpreted the requirements.
3. If appropriate, obtain and evaluate samples.
4. Consider the vendors' past performances by checking references, after-sale support and services, technology, and the creativity used to meet the buyer's requirements or objectives.

The University reserves the right to reject any bids and award contracts in the best interest of Notre Dame. Disputes shall be directed to the Director of Procurement Services.

Bidding Guidelines

Confidentiality of Bids/Proposals

In accordance with fair and sound business practice, all information supplied by vendors in their bid(s) or proposal(s) must be held in strict confidence by the person evaluating the bid or proposal and may not be revealed to any other vendor or individual other than University personnel who are involved in the purchasing decision.

Late Bids/Proposals

All bids and proposals should be date and time stamped to assure that they are received prior to the deadline for submission. It is the responsibility of vendors to ensure that their bids are received by the responsible person no later than the appointed hour of the bid opening date as specified on the request for bid. Bids will be rejected if late unless an unusual circumstance, e.g., lack of competition should the bid not be allowed and the decision to accept a late bid is in the best interest of the University.

Errors in Bids/Proposals

Vendors are responsible for the accuracy of their quoted prices and conditions. In the event of an error between a unit price and its extension, the unit price will govern. Bids may be amended or withdrawn by the bidder up to the bid opening date and time, after which, in the event of an error, bids may not be amended but may be withdrawn prior to the acceptance of the bid. After an order has been issued, no bid may be withdrawn or amended unless Procurement Services considers the change to be in the University's best interest.

Price Reasonableness

Reasonableness of a proposed price may be determined by comparison of the proposed price with prices found reasonable on recent previous purchases, current non-retail or commercial price lists, catalogs, advertisements, and similar items in a related industry. Also, reasonableness of price may be determined by a price or cost analysis.

Purchasing with Federal Funds

Subcontracting Plans

The University of Notre Dame will make a "good faith effort" to meet percentage goals of total dollars budgeted for the purchase of supplies and services from Small, Small Disadvantaged, and Women-Owned Businesses in accordance with Federal Acquisition Regulation 52.219-9.

- FAR 52.219-9 requires a Subcontracting Plan for Small, Small Disadvantaged and Women-Owned businesses for each contract in excess of \$500,000.
- Procurement Services, in conjunction with the Research and Sponsored Programs and the Principal Investigator, is responsible for developing the plan to establish goals for each contract proposal submitted.
- Prime contractors must agree to purchase a percentage of the supplies and services required for the performance of the contract from these businesses.
- The Subcontracting Plan specifies:
 - Which items/commodities will be purchased from small and minority businesses.
 - The total dollars to be spent each with small and minority businesses.
 - The percentage of total dollars budgeted for supplies and services that these purchases represent

Debarred or Suspended Vendors

In acquisition over \$25,000 any supplier debarred or suspended by the federal government is not permitted to do business with the federal government, under government contracts or subcontracts (due to a finding of fraud, illegality or other reason) unless an exception is granted in writing by a government contracting officer.

Procurement Specialists are responsible for verifying that potential suppliers are not on the government's list of debarred contractors (<http://sam.gov/>) and documenting their efforts in accord with federal regulations.

- a. If a supplier or potential recipient is found to be on the list of debarred, suspended or ineligible suppliers periodically issued by the U.S. General Services Agency, procurement specialists should contact the requisitioner and attempt to find a different source of supply of the product or service.
- b. If the buyer or contract specialist is unable to find an alternate source of supply, he or she will notify the Director of Procurement Services, who will take appropriate action with the Principal Investigator and Research and Sponsored Programs.

Vendor Selection

Sole Source Justification or Emergency Condition Purchase

The procurement of materials and equipment without competition is done under exceptional and limited circumstances. Therefore, if there is only one supplier who can meet departmental needs, a department should complete a [Supplier Selection Form](#).

By and large, a sole source can be accepted when:

- Specific items are sold only through the manufacturer and there are no comparable units available on the marketplace. In this case competition may be precluded because of the existence of patent rights, secret process, and control of raw material or other such condition.
- Items and parts match an existing piece of equipment and are available only from the same source of original equipment manufacturer (OEM).
- Upgrade to existing software available only from the developer.
- A purchase is driven by an emergency (repair services or parts) that prevents competitive bidding. An emergency condition is defined for these purposes when competitive bidding cannot be conducted due to health and safety issues, considerable financial loss or other extenuating circumstances.

Requisitioning departments should complete the [Supplier Selection Form](#) and direct it to Procurement Services. Completion of the form does not guarantee that the proposed vendor will be selected. Procurement Services will contact the requestor in situations where the justification for a sole source or emergency purchase is in question and other alternatives appear to be available to meet the department's needs.

Contract Formation

Contracts are generally required for recurring or long-term purchases for materials, services, maintenance and repair, or special terms and conditions (e.g., software). Procurement Services will work with the departments, vendors, and the General Counsel's office as needed, to form contracts for goods or services.

Receiving

Primary Address

The primary shipping address for the University is Central Receiving, 100 Mason Services Building, Notre Dame, IN 46556. Central Receiving accepts small parcels on a daily basis from carriers such as DHL, FedEx, UPS and delivers to departments across campus. Deliveries to requestor's office, lab, or end-user's department loading dock should be done only in accordance with the following guidelines:

- A strategic contract specifies desktop or department dock delivery;
- Overnight deliveries;
- Vendor delivery of specialized products which require immediate special handling.

Packages should be carefully examined for any visible evidence of damage, particularly if the purchase is fragile or costly. The end user should maintain the records of receipt and follow the correct receiving or reconciliation process. The vendor, number and items received and date will be confirmed to allow the invoice to be paid.

Damaged Shipments and Shortages

Under Interstate Commerce Commission regulations, damaged shipments cannot be refused unless totally destroyed or unless the broken contents would cause contamination. If the shipment is refused, the vendor or shipper could dispose of the shipment, making it very difficult for the buyer or end user to initiate a successful claim. Any damage to the package, no matter how slight, should be noted on the carrier's and receiver's delivery receipt. If the shipper is unwilling to wait while the contents of the package are inspected, the receiver should note on the delivery receipt that the condition of the contents is unknown. If concealed damage is discovered during unpacking, stop unpacking, notify the shipper, and request an immediate inspection. Save damaged packaging and cartons for the shipper's claims inspector and, if possible, photograph the damaged shipment.

Initiating a Claim

The shipper's main office should be notified in writing within 15 days of receipt of the damaged merchandise. The formal claim letter should:

- describe the damage
- give the date the shipment was received
- include a copy of the delivery receipt with the shipper's signature and the receiver's description of the damage
- provide the name of the vendor
- include a written estimate from the vendor of the costs to replace or repair the damaged items
- provide a copy of the vendor's original invoice
- provide copies of all correspondence pertaining to the claim

The Interstate Commerce Commission requires the shipper to acknowledge the claim within 30 days and to offer a settlement within 120 days. When terms are F.O.B. Destination, the buyer or end user should notify the vendor immediately so that the vendor can file a claim.

Returning Goods to the Vendor

Goods should not be returned without first notifying the vendor. Some vendors require the buyer to obtain a **Return Authorization Number** (RA or RMA) and have procedures as to how and when a return shipment should be made. Every effort should be made to utilize our preferred package carrier if we are responsible for the cost. Some vendors may also charge a restocking fee to offset the cost of returning the item to inventory. The buyer or end user should keep a record of the name of the individual authorizing the return, the authorization number and date, notes of any conversations with the vendor authorizing the return, the date the shipment was returned, the name of the carrier, and the vendor's complete address and the name of the individual receiving the returned goods. If the item being returned is expensive or fragile, it should be insured. Contact Procurement Services for further information

Special Purchases

Vehicles

Contact [Transportation Services](#) regarding vehicle purchases.

Hazardous and Safety Materials

The University and the Radiation Control Committee are responsible for all individuals using radioactive materials and their subsequent activities; and, therefore, only individuals approved by the Radiation Control Committee may obtain radioisotopes. If the radioactive material is to be acquired from an outside source, the requisition MUST first be sent to the Risk Management and Safety Department for validation and recording prior to submitting the Byproduct Material Requisition to Procurement Services for processing.

All orders on radioactive materials shall be shipped to the Central Receiving/Douglas Road and must contain an attention line Risk Management and Safety/Dr. (name of responsible individual requisitioning materials). All the packages shall be investigated by the Risk Management Office for leakages, contamination, and for accordance to the Requisition form, prior to the release for delivery.

To obtain the Byproduct Material Requisition form and the full-length text of the University of Notre Dame Radiation Safety Manual and for all inquiries concerning radioisotope procurement please contact Risk Management and Safety Department at 636 Grace Hall, (574) 631-5037.
