



University of Maryland University College

PROCUREMENT GUIDE  
FOR  
UNIVERSITY DEPARTMENTS  
&  
CONTRACTORS  
**June, 2007**

**“Your map to guide you in the procurement processes.”**

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Note: For additional information as well as specific contact information please visit our website @ [intranet.umuc.edu](http://intranet.umuc.edu), click on the “Procurement” link under “Departments” on the left sidebar.

## **INTRODUCTION INFORMATION**

# INFORMATION FOR VENDORS

The University of Maryland University College (UMUC) Office of Procurement is responsible for the procurement of all equipment, services, materials, and supplies utilized by the UMUC campus.



The Procurement Office has the responsibility to conduct all negotiations concerning price and condition of sale for all purchases and anticipated purchases for UMUC. **Individual departments or employees are not authorized to sign or enter into a contract or place orders without approval of the Procurement Department.**



## GETTING ACQUAINTED



Sales representatives are requested to call the Procurement Office (301-985-7097) and make an appointment to ensure that the buyer will be available to visit with the representative in order to become more acquainted with your business. Sales calls on individual departments are not permitted unless requested by the Department. Vendors must recognize that such visits may be **only informational** and create **no** obligation to purchase from the vendor. Departments are not authorized to enter into contracts with vendors without the prior approval and authorization of the Department of Procurement Services, unless they are using a Pro-Card.

## VENDOR SELECTION



Procurement Office is also responsible for the selection of reputable and reliable vendors. Vendors who have not previously done business with UMUC are advised to contact the Procurement Office or see our website to get in contact with the appropriate buyer. UMUC endeavors to conduct its business in a fair and equitable manner. Purchases will be made on the basis of quality, service, delivery, and price.

## PURCHASE ORDERS, CONTRACTS & PRO CARD (P-CARD)



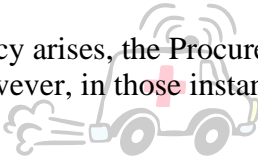
Issuance of an official purchase order, contract, or use of the VISA purchasing card are the only methods of purchase for goods and services obligating UMUC. There are two ways to make a procurement:

- 1). The standard purchase order or applicable contract form may be used for orders of any dollar amount.
- 2). The VISA purchasing card may be used for making purchases where the single order does not exceed \$4,999. Vendors are cautioned that some cards have lower single transaction limits (less than \$4,999) and monthly credit limits vary on a per card basis. **It is illegal to artificially split orders in order to avoid the procurement process.**



## **PURCHASE ORDERS, CONTRACTS & PRO CARD (P-CARD) Continued**

When an emergency or urgency arises, the Procurement Office may place an order by telephone or other means (i.e. fax). However, in those instances, a purchase order number is assigned and a confirming order will follow.



### **THE BIDDING PROCESS**

In accordance with the University System of Maryland Procurement Policies and Procedures, UMUC conducts an open, competitive bidding process. Depending on the dollar value of the order, this process may take the form of fax quotations, e-mail offers, written bids, or Request for Proposals (RFP's).

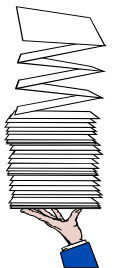
In order to be awarded a purchase order for goods and services from a UMUC bid, a vendor must be the lowest responsive and responsible bidder meeting the specifications as required. In many instances, when choosing a vendor, UMUC may consider factors other than price, including the types of goods and services to be supplied, the particular needs of the requesting department, the date of delivery, and the reliability, quality, and experience of the vendor (which is the case in an RFP).

When a vendor has been selected to receive a Request for Bid or Request for Proposals (RFB/RFP), the vendor is responsible for following the instructions given in the RFB/RFP to ensure the provision of all requested information including the Bid/Proposal Affidavit form. All responses are to be returned to the Procurement Office by the due date and time specified (**late Bids/Proposals will not be accepted without exception**). Bid price openings are public; RFP technical and price proposal openings are not public.

Notice of solicitations can be obtained by contacting the Procurement Office directly. Notices are also posted on the bid board, which is located inside of the Procurement Office and/or on Procurement's electronic bid board on UMUC's internet page. Procurements are also posted on eMaryland Marketplace, [www.emarylandmarketplace.com](http://www.emarylandmarketplace.com), or the help desk can be contacted directly at (410) 767-1492.

### **TAX & INVOICE INFORMATION**

UMUC, as an agency of the State of Maryland, is exempt from all Maryland Sales and Use Tax, D.C. sales tax and manufacturer's federal excise taxes. Each purchase order or contract issued makes reference to the tax-exempt status. If requested, an exemption certificate will be furnished. {Note: Construction is **NOT** tax-exempt}.



Invoices for Purchase Orders (PO's) and contracts must be sent directly to the Finance Office, (unless the purchase order or contract instructs otherwise) Attn: Accounts Payable and include the purchase order number and vendor's FEIN number. Invoices for Pro-Card purchases are to be sent directly to the cardholders **NOT** to the Finance or Procurement Offices. Invoices that are **not properly identified will not be accepted**.

## **MINORITY BUSINESS ENTERPRISE (MBE)**



It is the intent of UMUC to seek and encourage participation by minority businesses. In order to qualify as a minority vendor, vendors must be certified as such through the Maryland Department of Transportation (MDOT). Certification information can be found at [www.mdot.state.md.us](http://www.mdot.state.md.us) or contact MDOT directly at (888) 713-1414 or fax (410) 865-1334.

Certification as a MBE provides greater exposure for work opportunities on State projects. The names of all certified MBE's appear in the MBE Directory, a reference manual that is widely disseminated to each MDOT administrator, other state departments, local governments, contractors and to the public. Contractors use the MBE Directory as a basic resource for soliciting minority participation on projects. If a firm is not certified, the University or the contractor cannot receive credit toward achievement of the MBE participation goal by using that firm.

## **SMALL BUSINESS RESERVE (SBR)**

As of October, 2004, the State of Maryland has implemented the Small Business Reserve program. Maryland State Agencies (including the University of Maryland) are required to reserve 10 percent (10%) of total procurements each year for competition exclusively among Maryland-certified Small Business Enterprises. It is at the discretion of the agency as to which procurements will be designated as such. Only registered certified small businesses may respond to the solicitation. Registration may be done on line at the website [www.smallbusinessreserve.maryland.gov](http://www.smallbusinessreserve.maryland.gov) and only takes a few minutes.

The definitions of a small business under this program are:

**Wholesale Operations:** Does not employ more than 50 people and the gross sales average did not exceed \$2M in its most recently completed 3 fiscal years.

**Retail Operations:** Does not employ more than 25 people and the gross sales average did not exceed \$2M in its most recently completed 3 fiscal years.

**Manufacturing Operations:** Does not employ more than 100 people and the gross sales average did not exceed \$2M in its most recently completed 3 fiscal years.

**Service Operations:** Does not employ more than 100 people and the gross sales average did not exceed \$2M in its most recently completed 3 fiscal years.

**Construction Operations:** Does not employ more than 50 people and the gross sales average did not exceed \$7M in its most recently completed 3 fiscal years.

**SIMPLIFIED PROCUREMENT PROCEDURES  
(\$4,999 OR LESS)**

## **Simplified Procurement Procedures Orders \$4,999 or Less**

In accordance with the Procurement Policies and Procedures established by the University System of Maryland and implemented by UMUC, if a department has a requirement for small dollar procurements \$4,999 or less, the following procedures apply. **It is prohibited to intentionally split orders to avoid following the appropriate procurement procedures.**

- ☞ Competition is preferred but not required.
- ☞ The VISA Purchasing Card (“Pro-Card”) must be used wherever possible in accordance with the Policies & Procedures governing the use of the Pro-Card.
- ☞ If the Pro-Card is not used, the request must be submitted via PeopleSoft for processing.
- ☞ Where time permits and it makes good business sense to compare pricing, departments and/or Procurement Office may attempt to do so by doing the following:
  - ☞ Contact a minimum of two vendors via telephone, faxes, email, etc. (including MBE Certified contractors).
  - ☞ Document for the record the pricing obtained (have the vendors fax quotations, print email information, etc.)
  - ☞ Make a note of additional pricing or attach documentation to requisition and forward to Procurement Office.

If you have any questions, contact the Procurement Office on ext. 7097 or at (301) 985-7097.

**SIMPLIFIED PROCUREMENT PROCEDURES  
(\$5,000 -\$100,000)**

## **Simplified Procurement Procedures Orders Between \$5000 and \$100,000**

In accordance with the Procurement Policies and Procedures established by the University System of Maryland and implemented by UMUC, where the simplified procurement is between \$5000 and \$100,000, the procurement must be forwarded to the Procurement Office for processing. There **must** be competition to the extent practical considering such factors as the availability of vendors, dollar value of the order, cost of administering the procurement, delivery time, and sound business judgment and practices. **It is prohibited to intentionally split orders to avoid following the appropriate procurement procedures.** The process for these orders is the following:



### Using Department Responsibilities:

- ✍ Prepare a requisition setting forth the requirement
- ✍ The requisition must include specifications, to the extent available, including information regarding delivery requirements, suggested vendors, estimated value, etc.
- ✍ If the requisition is for an item considered to be a sole source, the department must attach a sole source justification (using the [Sole Source Justification Form](#)) explaining the nature and reason for the sole source request. This form may be found on the Procurement Office's website.
- ✍ Submit the requisition including all attachments (if any) through PeopleSoft for processing



The Procurement Office has broad discretion in the type of procurement method to utilize as well as in fashioning suitable evaluation procedures for simplified procurements. The Procurement Office will process these orders using **simplified procurement** methods:

- ☒ **Sole Source Procurement** – May be used, if appropriate and justified by the using department with concurrence by Procurement. Department must attach a written justification stating the following:
  - ✍ Need for the service or commodity
  - ✍ Uniqueness of the vendor's qualifications, experience, commodity, service
  - ✍ Attempts to find other sources
  - ✍ Impact if this vendor was not selected. The [Sole Source Justification Form](#) (found on Procurement's website) shall be used. If additional space is needed, a separate memorandum may be prepared providing the information set forth above. If available, department should attach a written price quote (via fax, e-mail, etc.) confirming the cost.
- ☒ **Simplified Request for Quote or Proposal** – One step solicitation process in which requests for quotes or proposals are generally sent to an adequate number of vendors to ensure competition. Specifications are developed working with the department. Time allowed for return responses from vendors will depend on dollar value and complexity of procurement and location of vendors. Responses may be obtained in any manner that best meets the needs of the University and the using department including through verbal quotes, written response, fax, e-mail, etc.

## **Simplified Procurement Procedures Orders Between \$5000 and \$100,000 Continued**

In some cases, it may be advantageous to conduct request technical information to evaluate the most advantageous reponse received.

- ☒ **Emergency Procurement** – An emergency is a sudden and unexpected occurrence or condition, which the University reasonably could not have foreseen that requires an action to avoid or to mitigate serious damage to public health, safety or welfare. An emergency is not a situation, which arises as a result of poor planning or lack of funds. Generally, time constraints in resolving the emergency situation may require immediate action that precludes the use of any formal procurement process, where time permits, the University should attempt to seek as much competition as possible. Contact Procurement Office on ext. 7097 or (301) 985-7097 as soon as an emergency arises to see how best to proceed.
  
- ☒ **Cooperative purchasing Agreements with other institutions, agencies, governments, etc.** The Procurement Office may from time to time procure requirements through other institutions, agencies or governments to achieve the maximum efficiency and economies in making purchases. In some cases, UMUC may combine its needs with other USM institutions to establish a multi-institutional or system-wide contract. These contracts would be available for use by the institutions as the need arises.
  
- ☒ **Contracts shared with other institutions, agencies, governments, etc.** – UMUC, as well as other campuses of the USM, inserts a requirement into bid documents permitting other campuses to use contracts that have been issued by UMUC. The advantage is that it reduces the processing time that may have been needed to do a separate solicitation. Where such contracts are made known to the campus, they are available for use by department.




Once the procurement process is completed and a requisition is entered and approved PeopleSoft by the department , the Procurement Office will issue the purchase order or contract.


**PROCUREMENT GUIDELINES  
(EXCEEDING \$100,000)**


## **Procurement Guidelines Orders Exceeding \$100,000**

In accordance with the Procurement Policies and Procedures established by the University System of Maryland and implemented by UMUC, where the procurement is reasonably expected to exceed \$100,000, the procurement must be forwarded to the Procurement Office for processing through a **formal written** procurement process. Any of the following formal procurement processes may be used as deemed appropriate by the Procurement Officer:


-  **Competitive Sealed Bids** – for orders reasonably expected to exceed \$100,000, the bid process is a formal written bid process in which bids are generally sent to an adequate number of bidders to ensure competition. Specifications are developed working with the department and permit a bid based on lowest bid from a bidder who is both responsive and responsible and meets the specifications set forth in the bid documents. Formal competitive sealed bids are typically processed in 30-45 days depending on dollar value, complexity of procurement, and location of bidders. Solicitations must be published in a manner that best meets the needs of the solicitation. Publication may be accomplished by posting the solicitation on the electronic bid board on UMUC’s internet page, in eMaryland Marketplace, trade journals, etc.

In some cases, it may be advantageous to conduct a multi-step bid wherein Bidders submit a Technical Offer for evaluation separately from the price. Only those Bidders evaluated by UMUC as technically qualified will have their prices considered.

-  **Competitive Request for Proposals (“RFP”)** - Two-step process in which there is a separately received and evaluated technical proposal and financial proposal. Generally used where the requirements of the procurement are difficult to quantify and award will be based on factors other than cost. RFP’s often include interviews of the proposing firms. Due to the complexity of the RFP documents and the evaluation process, this process typically takes 60-90 days. Solicitations must be published in a manner that best meets the needs of the solicitation. Publication may be accomplished by posting the solicitation on the electronic bid board on UMUC’s internet page, in eMaryland Marketplace, trade journal, etc. The Procurement Office will work closely with requesting departments to establish the specifications and criteria for the RFP as well as to source potential proposing firms.

 **Sole Source Procurement** – May be used, if appropriate and justified by the using department with concurrence by Procurement Services. Department must attach a written justification (Sole Source Form) stating the following:

- Need for the service or commodity
- Uniqueness of the vendor’s qualifications, experience, or product
- Attempts to find other sources or basis for the sole source
- Impact if this vendor was not selected. The [Sole Source Justification Form](#) shall be used. If additional space is needed, a separate memorandum may be prepared providing the information set forth above. If available, department should attach a written price quote (via fax, internet, etc.) confirming the cost.

 Note – the same requirements for Emergency Procurements, Cooperative Purchasing Agreements, & Contracts shared with other institutions, agencies, governments, etc. for procurements between \$5000 and \$100,000 will be followed for procurements exceeding \$100,000. Approvals outside UMUC may be applicable to specific procurements. The buyer will advise you of any of these requirements.

## APPROVALS

For some procurements, additional notifications or approvals are required. These are:

- Prior approval must be received from USM Board of Regents for any procurement exceeding \$5 million.
- Sole source personal service contracts greater than \$25K – USM is to be notified.
- Sole sources greater than \$100K – USM is to be notified
- Sole sources greater than \$500K – USM must approve.
- Services and capital improvement procurements greater than \$500K – require Board of Public Works (BPW) approval, adds one month to the procurement schedule; the total is derived by the value of the cumulative total of the procurement inclusive of all renewal terms.
- Modifications to service and/or capital improvement procurements greater than \$500K require BPW approval; this adds approximately 4-6 weeks to the processing time.

**PRINCIPLES AND STANDARDS  
OF  
PURCHASING PRACTICE**

# **PRINCIPLES AND STANDARDS OF PURCHASING PRACTICE**

The UMUC Procurement Office personnel exercise sound business judgment and maintain the highest ethical and moral standards in conducting University business. UMUC endorses and is covered under the Code of Ethics for the Executive Branch Officers and Employees promulgated by the Executive Order of the Governor dated September 4, 1969. The Procurement Office further subscribes to the Principles and Standards of Purchasing Practice by the Institute for Supply Management, which is as follows:

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications.
2. Demonstrate loyalty to the employer by diligently following the lawful instructions of the employer, using reasonable care and only authority granted.
3. Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of the employer.
4. Refrain from soliciting or accepting money, loans, credits or prejudicial discounts, the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence or appear to influence purchasing decision.
5. Handle information of a confidential or proprietary nature to employers and/or suppliers with due care and proper consideration of ethical and legal ramification and governmental regulations.
6. Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle.
7. Refrain from reciprocal agreements which restrain competition.
8. Know and obey the letter and spirit of laws governing the purchase function and remain alert to the legal ramifications of purchasing decisions.
9. Encourage that all segments of society have the opportunity to participate by demonstrating support for small, disadvantaged and minority-owned businesses.
10. Discourage purchasing's involvement in employer sponsored programs of personal purchases which are not business related.
11. Enhance the proficiency and stature of the purchasing professions by acquiring and maintaining current technical knowledge and the highest standards of ethical behavior.

With regard to matters that may involve a conflict of interest within the Department, such matters should be brought to the immediate attention of the Assistant Vice President for Procurement and Business Affairs.

END OF GUIDE