Purpose: This policy will outline the requirements for competitive bids on goods and services purchased by the University.

GENERAL PROVISIONS

All purchases requiring bids must be approved by the Vice President for Finance prior to any commitment of purchase or contract. Purchases that require competitive bidding normally require three bids from competing vendors. Circumstances may exist where fewer than three bids or more than three bids may be appropriate. For instances where only one vendor is contacted, justification of using a sole source must be provided. At the discretion of the Vice President for Finance, more than three bids may be required for any product or service.

Quotations shall be solicited from vendors who possess the ability to perform successfully under the terms and conditions of a procurement contract. All formal bid solicitations will be reviewed by the Vice President for Finance prior to distribution to ensure that specifications are complete, and that they do not favor one manufacturer or contractor over others. All information necessary to prepare and submit quotations will be provided equally to all suppliers.

The award of a purchase contract will be made to the vendor whose bid is responsive to the requirements of the university, and who offers the lowest cost in conjunction with all time and service requirements. The University reserves the right to reject any and all quotations, and to accept other than the lowest quotations.

To avoid potential conflicts of interest, no employee, officer, or agent of the University should participate in the selection, award, or administration of purchases or contracts in which, to his or her knowledge, the employee or immediate family has a financial interest in the supplier’s organization. Refer to Policy #384, “Conflict of Interest” for more information.

To ensure competitive bidding, it is the policy of the University to consider bid results as confidential information. Bid results will not be revealed to vendors, except in response to written inquiry from a vendor. If inquiry is made, the vendor name and price of the successful bidder will be sent. Also, prices of other bidders will be sent, but with no names.

BIDDING AND QUOTATION REQUIREMENTS

The following guidelines have been established to promote competitive bidding. Requestors should realize that these are minimum requirements and that bids should be solicited whenever the goods or services can be purchased from several different, responsible vendors.

Purchases less than $5,000 – Departments are encouraged, but not required, to obtain competitive quotes when possible. Departments will not be required to submit documents to the Business Office. Departments should purchase from existing contracts when available.

Purchases greater than or equal to $5,000, but less than $20,000 – Three competitive quotes must be obtained. Departments may solicit quotes on their own or with the assistance of the Vice President for Finance. If all quotes are acquired by the requisitioning department, the Vice President for Finance may acquire additional quotes, at his/her discretion. Quotes may be acquired through formal bidding, bidding
by fax, and phone pricing. Documentation related to the quotes must be forwarded to the Business Office with the purchase requisition.

**Purchases greater than or equal to $20,000** – These purchases require formal bidding (Request for Proposal), which must be performed by the Vice President for Finance or in conjunction with the Vice President for Finance. Formal bidding may take up to 90 days to be completed; departments must remember to allow for adequate time for the Finance Department to obtain proposals.

**CONTRACTED VENDORS**

Competitive bidding is NOT required for purchases made from contracted vendors, such as the contracted office supply vendor, regardless of dollar amount. This also includes the University’s on-site contracted (auxiliary) vendors. These vendors have already been awarded particular commodities based upon University-wide bidding conducted by the office of the Vice President for Finance. However, the Vice President for Finance or the Budget Committee may, at any time, request competitive bidding with regards to such commodities and vendors, if, in their judgment, additional cost savings may be realized, or other University objectives may be accomplished.

**EXCEPTIONS TO BIDDING REQUIREMENTS**

**Sole Source Purchases** – A sole source purchase is the purchase of any product or service that is only available from one source. Any department seeking to purchase products or services over $5,000 without obtaining bids due to the fact that the item is only available from one source must provide written justification.

**Bid Waivers** – Bid waivers are only approved for the following reasons: significant time constraints, emergency situations, and special economic circumstances. Bid waivers must be approved in writing by the Vice President for Finance.

**Emergency Purchases** – Emergency purchases are those required to protect life and/or property or to prevent substantial economic loss or the interruption of service. Formal procedures are waived, but competition is used when possible. All emergency purchases must still bear the approval of the Vice President for Finance. Departments must document all decisions and retain all information for future audits. All purchase orders and/or invoices must indicate “Emergency Order” when being processed.