



UNIVERSITY OF MIAMI POLICY AND PROCEDURE MANUAL

TITLE: Competitive Bids. Written & Verbal

REFERENCE:

CATEGORY: Supply Chain Services

PAGE:

SUPERSEDES:

APPROVER: Phil Profeta

VERSION:

EFFECTIVE: June, 2016

I. **PURPOSE:**

To define when competitive bids are required by the Purchasing Department for the purchase of goods and services.

II. **SCOPE:**

III. **POLICY:**

The Purchasing Department is responsible for obtaining goods and services from outside vendors for University departments (see policy BSJ 005 Purchasing Goods and Services at the University:

<https://umshare.miami.edu/web/wda/policiesprocedures/Purchasing/PDF-Version/BSJ-005.pdf>) Requests for goods and services should be made from existing approved University vendors. Purchases will be subject to review against existing contract(s). If not covered by an existing contract, the request will be subject to competitive pricing unless the item is a "sole source" procurement (see policy BSJ 145 Sole Source Procurement: <https://umshare.miami.edu/web/wda/policiesprocedures/Purchasing/PDF-Version/BSJ-145.pdf>) Bids, quotations, and/or proposals can be obtained by either the requesting department or the Purchasing staff. Quotes obtained by the department should be attached to the purchase requisition. Quotes will be subject to review and approval by the Purchasing office and additional bids may be obtained. The PCard may be used to purchase approved goods up to \$2,000 per transaction/\$10,000 per month. Goods or services costing up to \$25,000 require at least one quote. Written quotes are preferred. Goods and services costing from \$25,001 and up require competitive quotes. At least three quotations are recommended. Quotations may be obtained by means of a Request for Quotation (RFQ) and/or Request for Proposal (RFP) which contains detailed specifications, engineering computations, drawings, etc., of the goods or services desired. Purchasing reserves the right to bid goods or services and/or negotiate directly with a supplier regardless of the dollar amount, if they feel it would be advantageous to the University. The University of Miami is committed to maintaining a supply chain that reflects its commitment to diversity and inclusion. Departments are encouraged to include qualified women- and minorityowned enterprises in all bids, quotations, and/or proposals. The Business Development Program may be contacted for additional information, www.miami.edu/bdp. Goods and services costing \$10,000,000 or \$15,000,000 over the term of the agreement require Board of Trustees approval.

IV. **DEFINITIONS:**

V. PROCEDURE:

1. Goods and services up to \$25,000. The PCard may be used to purchase approved goods up to \$2,000 per transaction/\$10,000 per month. If a purchase order is required, the department or Purchasing will obtain at least one quote. Any quotation(s) obtained by the requesting department will be attached to the purchase requisition.

2. Goods and services \$25,001 and up. Competitive quotes must be obtained or a sole source justification must be provided. Quotes may be obtained by means of a completed Request for Quotation (RFQ) and/or Request for Proposal (RFP) which contains detailed specifications, engineering computations, drawings, etc., of the goods or services desired. Any quotation(s) obtained by the requesting department will be attached to the purchase requisition and be reviewed and approved by the Purchasing department prior to issuance of the purchase order. If a formal bid is requested by RFQ or RFP, bids may be received by the Purchasing department. The bids will be evaluated by Purchasing and designated representatives of the user department prior to award of the contract or purchase order.

3. Goods and services over \$10,000,000 annually or \$15,000,000 over multiple years (except for those involving Sponsored Program accounts) must obtain the Board of Trustees approval. In addition, Purchasing and/or the user department must prepare an agenda item for presentation to the Executive Committee of the Board of Trustees. The proposed agenda item with supporting documents will then be forwarded to the Assoc. Vice President and Chief Supply Chain Officer for presentation to the Executive Committee. For assistance contact the Director of Purchasing on your campus.