

Procurement Services Involvement with Contracts and Grants

By
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Why is Procurement Here?

- Boston College University Policies apply to all purchases, including those made on Contracts and Grants.
- We must be sure policies are enforced or we may lose current or future grant funding.
- In addition, we will strive to help you strategize your purchases in advance, to stretch your grant dollars, and protect the University from risk.

When do we need to contact Procurement?

- Over \$5000 **OR**
- Contract-related **OR**
- Combined total over \$5000 (think about the future)
- It is not just for GOODS.
- SERVICES must also be bid.

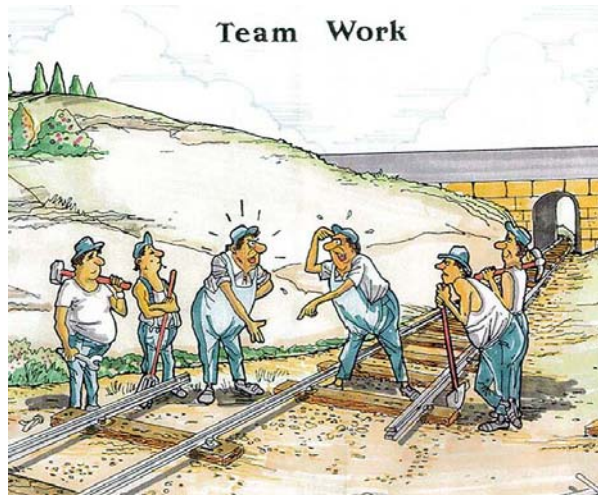
Contact Procurement **EARLY** – when you are considering new funding, or new projects. The earlier in the process - the better the opportunities for savings.

Why Contact Procurement?

- You know your project.
- We know purchasing.
- What can go wrong???????

Is what you said what the Contractor heard?
“The Track Ends Here”

What was “assumed”?



**How much time is needed for
Procurement to bid?**

Bid time depends on complexity and
timeframe.

- Easy bids – a week or so –
 - More Time = More opportunities for cost savings
- More complicated RFP's (Requests for Proposals) and contracts could take a month or more to include negotiations and contract review.

Again, the more time we have the better the
opportunity for savings, sustainability
considerations, and other benefits.

Purchases under \$5000

Should be done on existing BC contracts using a purchasing card when ever possible.

Professional services/consultants (68390) always require a contract, but under \$5000 can be done on the standard contract available on the OSP web site and paid by a direct voucher or through the requisition*/voucher process.

(*Requisitions may be used and reference the contract if you want to hold funding for later payment.)

What is the process for purchases over \$5000?

- Procurement will **assign a buyer**
 - The profile on web site shows buyer areas of expertise, including 4 Certified Purchasing Managers. You can also contact Jerri@bc.edu and she will refer you to the appropriate buyer.
- In some cases, we have **contracts with preferred vendors**, or have set **standards** in place for the University (WB Mason, Office Environments, Eagle Print, etc.)
- In other cases we may need to do research for a **request for proposal** to be sent.

What Should You Provide?

- Knowledge, knowledge, knowledge!
- You are the experts on your needs.
- Include us upfront as much as possible and we will still ask a lot of questions.
- What is most important may be something you are assuming, but not including.
(Joe Smith's secret formula)

Procurement Services Provides

- **University wide contracts** and department specific contracts
- **Due Diligence** and/or **pre-qualification** information to make sure vendors are a viable source. (Alumnus, disadvantaged vendor programs, etc.)
- **Facilitation Services**, sustainability information on equipment or products (HVAC, electrical, energy star, heat output).
- **Transactional Efficiency** - e-commerce sites.
- **Standards** for the University where it is efficient to have a University wide contract.
- **Request for proposal creation.** Many times you may be too close to the project and make assumptions about what the vendor will include without putting it in writing. We may look for alternatives or ask questions that may trigger thought. We want to make sure all vendors have the same information so that they have a **fair and equitable playing field.**
- **Invitation to bid** for less complicated projects.
- **Bid Analysis and University perspective**
- **Negotiations and Contract Reviews**

If a Competitive Bid Can Not Be Obtained:

- Sole Source documentation must be provided to and approved by Procurement Services once the evidence is reviewed.

“Sole Source”

- unique product patent
 - manufacturer items required
- **The Sole Source Justification Form** (www.bc.edu/procurement) is submitted by the department to Procurement Services for review and approval PRIOR to the purchase. Note: A vendor being “world class” or “the best” or “familiar with our requirements” is not considered sole source justification.
 - **Evidence** is required to confirm there is no other vendor who is able to provide the product or service, and the reason for the claim. Procurement must review and approve of the evidence for audit.

Things to Consider in Contracts

- We prepare or review the contract, and add **BC terms and conditions**.
 - Privacy and Security Addendum
 - Insurance
 - Parking
 - Employee Removal
 - Independent Contractor Rules for IRS
 - Must be more and more diligent about protecting the University

Data Security is Everyone's Business

- Please be sure you are not storing or passing personal information on forms, reports, receipts, invoices, etc.
- Receipts for reimbursement should not contain account numbers (Do not include stub portion)
- New vendors should be directed to the "Vendor Create Form" available on-line.
- Invoices should not contain SS#s.

Additional Considerations

- Contracts contain **deliverables**
- **Payment Terms**, usually 2%10, Net 30.
- Make sure deliverables are **received** before the expected payment dates – if not, notify Procurement.
- It is not uncommon for a contract to "get away from you." If **deadlines** are slipping or you are not getting what you need—call us to review the project.
- Vendors submit **invoices** to procurement, noting the PO # so Procurement can process payment to the vendor.

What is the process for requisitions, pos, vouchers, and invoices?

- **Step 1 – Contact Procurement** if you need to make a purchase over \$5000,
 - to see if a contract is available or if a bid or RFP needs to be created or to negotiate pricing and contract terms of a sole source purchase.
- **Step 2 - RFPS must be done by Procurement.**
 - There are a lot of requirements within the bid process.
 - sending bids out at the same time
 - a fair playing field–same submission time, same info to all
 - confirming confidentiality of bids,
 - Sealed Bid Opening requirements, etc.
- **Step 3 - Procurement** will analyze the RFP responses
- **Step 4 – Procurement will work with you** to select a vendor, negotiate the terms, and create a contract.

What is the PeopleSoft Process AFTER the RFP and Contract Review?

- **Requisitions (Req)** are created by the department as requests for a product or service and need to be approved by the department and OSP if appropriate. They confirm funding is available and the expense is allowable.
- **Purchase orders (PO)** are made from requisitions and are sent to the vendor giving them notice that BC is placing the order with them under the terms indicated (may be reference to a contract). The PO is also a guarantee to the vendor that the funding associated with the contract is reserved.

Purchase Order Payments

- The vendor will submit invoices to Procurement, after the deliverables have been met.
 - It is up to the department to notify Procurement if there is an issue, or if payment should not be made.
 - Procurement will create a **VOUCHER** to pay the vendor.

Other Procurement Services

- We also provide training sessions on PeopleSoft processes, Pcard and Travel.
- Information on Procurement Services is located on the BC web site at www.bc.edu/procurement.
- Information for vendors, such as tax exempt certificates, holidays, or credit information is also on our web site at www.bc.edu/suppliers .
- Travel information is available at www.bc.edu/travel
- Pcard is www.bc.edu/pcard

Summary

- YOU are the subject experts.
- We can help with the procurement.

- Procurement is involved in Services and Goods, all purchases over \$5000

- Contact Procurement EARLY
 - Jerri Cole – jerri@bc.edu
 - Extension 2-4562

**Questions can also be
emailed to
Jerri@bc.edu**