

# UNIVERSITY of WISCONSIN-GREEN BAY

## **Purchasing Policy and Procedure Best Judgment Purchasing (\$5000.00 or Less)**

Number PPP 3

Dated: 11/01/2004

### **POLICY**

Best Judgment purchases (defined as \$5,000.00 or less) may be placed by using the Purchasing Card, by processing as a direct charge; or by entering a purchase order into PeopleSoft if the vendor requires the hard copy.

### **PROCEDURE**

Assuming a contract for the commodity or services does not exist; a best judgment order may be placed with the vendor of your choice. Obtaining competitive quotes is encouraged if possible, but documentation of such is not required. UW-Madison, UW-System and mandatory State Contracts may be viewed at the following address:

[http://www.uwgb.edu/purchasing/contracts/mandatory\\_contracts.htm](http://www.uwgb.edu/purchasing/contracts/mandatory_contracts.htm)

UW-Green Bay personnel obtaining quotes must be careful not to give one vendor an advantage by inadvertently sharing another vendor's prices, terms, or other bid information during the course of the bidding process. Only information needed to clarify a specification and prepare a bid may be given out and then must be made available to all vendors. Bid results cannot be released to the vendors prior to a purchase order being issued. Price quotes should be obtained from three or more viable vendors that are normally expected to carry or provide the supply, service or equipment. Always indicate that you are requesting quotes for \_\_\_\_\_. Repetitive/frequent orders from the same department for the same supply, service or equipment will be consolidated by Purchasing and the appropriate purchasing procedures will be followed.

Whenever possible, a minimum of one Minority Businesses Enterprise (MBE) should be contacted to provide a bid. For additional information on the MBE Program, see Website:

[http://www.doa.state.wi.us/section\\_detail.asp?linkcatid=46](http://www.doa.state.wi.us/section_detail.asp?linkcatid=46) If other campus departments or other government agencies are considered viable vendors, they should be contacted and considered prior to, not current with, any competitive bidding process.

Price quotes may be obtained through the following methods: current price lists, advertisements, telephone or verbal quotes, facsimile quotations, e-mail quotes, written bids, or previous quotes on file (Using previous quotes on file: if the awarded vendor from a recent bid agrees to hold to the same pricing and if this pricing is still to the University's advantage, then bidding does not need to be

repeated). Vendors contacted for price quotes that exceed \$1500, but are less than \$4999.99, must be documented. When comparing bids/quotes, the following elements must be considered: price (discount), conformity with **original** specifications, delivery date (if specified), freight charges, and special preferences (Minority Business Enterprises receive a 5% price preference and Sheltered Workshops receive a 2% price preference in competitive bidding. Contact Purchasing for guidance in making these determinations.) When the recommended award is made to another vendor other than the lowest bidder, justification must be provided for each bid that is lower than the recommended award. Examples include: the low bid is for an alternate item of inferior quality (be specific), the low bid cannot meet the required delivery deadline or other deviations from the bid specification.

Insurance coverage will be **required** from the successful bidder for bids that require service, installation, inside delivery or other work performed on campus. It is imperative that this requirement be made known to the supplier as part of the bid specification. The awarded vendor is required to send a Certificate of Insurance to the Purchasing Office prior to being on campus to perform the work required. Purchasing will monitor to ensure compliance. Contact Purchasing at X2598 for assistance in this area.

There is ethics/conflict of interest issues to be aware of. Classified Staff refer to [Classified Staff Code of Ethics](#) and [Chapter ER-MRS 24](#) of the Wisconsin Administrative Rules. Faculty and Academic Staff refer to Wisconsin Administrative Code, UWS Chapter 8. Website: <http://www.legis.state.wi.us/rsb/code/uws/uws.html>

### Cash With Order

Requests for Cash with Orders (CWO) will be processed when the vendor requires payment prior to shipment/service or if prepayment will result in a discount to UW-Green Bay. "Cash With Order" or CWO must be indicated in the body of the document. Two copies of price documentation (subscription form, conference registration form, etc.) must be forwarded with payment request.

### Blanket Orders

Departments should establish a Blanket Order when they place frequent orders for under \$1500 to the same vendor for similar items, and the vendor does not accept the Purchasing Card. A "blanket" purchase order must be entered into PeopleSoft. Refer to [PPP #10](#) for blanket order procedures.

### Expediting Delivery

Departments are responsible for expediting their own best judgment orders. Purchasing is available to assist departments whenever necessary