


## CONTRACTING AND PURCHASING SERVICES POLICY MANUAL

 <b>NORTHERN ARIZONA UNIVERSITY</b>	<b>POLICY PUR 303-03</b>
	Section: Orders and Requisitions
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	Responsible office: Purchasing
	Origination date: 07/01/1996
<b>Subject: Competitive Bidding \$50,000 or Greater</b>	Effective date: 07/01/1996
Source: University policy ABOR 3-803	Revision date:

### PURPOSE

To establish competition required for procurements that cost \$50,000 or more.

### POLICY

#### **PUR 303-03-01: Dollar Limit**

Procurement requirements will not be artificially divided or fragmented into increments or components costing less than \$50,000 to circumvent the applicable competitive bidding requirement. Requisitions for the same item from the same department within a short time period will be considered an artificial division of a procurement.

#### **PUR 303-03-02: Competition**

All procurements with an estimated cost of \$50,000 or more per transaction shall be based on competitive sealed bids or proposals.

#### **PUR 303-03-03: Departmental Request**

The requesting department will create a financial system requisition document for the procurement and submit specifications to Contracting and Purchasing Services.

#### **PUR 303-03-04: Competitive Bidding**

Based upon the specifications submitted by the requesting department, Contracting and Purchasing Services will determine whether competition will be based upon a sealed bid or sealed proposal.

##### 1. Competitive Sealed Bids

- a. Contracting and Purchasing Services will issue a sealed bid that includes but is not limited to:
  - i. a complete description or specification of the goods or services to be procured
  - ii. all contractual terms and conditions applicable to the procurement
  - iii. a place, date, and time for submission of bids.

##### b. Notice of Bid


Adequate public notice of the bid must be given a reasonable time before the date set for submission of bids. This notice shall be mailed to a representative number of interested vendors and shall be available upon request from Contracting and Purchasing Services.

Public notice may include publication in a newspaper of general circulation. Procurements for services costing more than \$50,000 require newspaper advertising.

##### c. Bid Opening

Competitive sealed bids shall be opened publicly, in the presence of one (1) or more witnesses, at the time, date, and place designated in the RFB. The amount of each bid, along with other relevant

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information, shall be read and recorded.

2. Competitive Sealed Proposals

- a. Contracting and Purchasing Services will issue a request for proposal (RFP) only if it has been determined that the use of competitive sealed bidding is not practicable or advantageous to the University.
- b. The RFP will include but is not limited to the following:
  - i. A complete description of the goods or services to be procured or the result to be obtained from such goods or services.
  - ii. The date, time and location for submission of offers.
  - iii. Information that the University reserves the right to conduct discussions with the proposers, to accept revisions of proposals, and to negotiate price changes.
  - iv. Information that the University will not disclose any information derived from proposals submitted by or discussions with competing proposers until after an award is made.
  - v. all contractual terms and conditions applicable to the procurement.
  - vi. evaluation criteria, in order of importance.
- c. Notice of RFP  
Public notice shall be the same as specified for competitive sealed bids, except public notice shall include publication in a newspaper of general circulation. Procurements for services costing more than \$50,000 require newspaper advertising.
- d. Proposal Opening  
Competitive sealed proposals will be opened publicly, in the presence of one (1) or more witnesses, at the time, date, and place designated in the RFP. Only the names of the offerors and other information deemed appropriate by the Director of Procurement will be read and recorded. Offer contents will not be public information until after award of the contract.
- e. Evaluation Committee  
At times it is beneficial to have a committee evaluate offers. The committee will be appointed by the Director of Procurement, and may be comprised of members of the requesting department, interested members of the NAU community, and Purchasing staff. Each member of the evaluation committee shall sign an Evaluation Committee form prior to participating in the evaluation.

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**CROSS REFERENCE**

- [PUR 205-00](#) Prohibited Purchases
- [PUR 301-09](#) Requisition (RQS) Documents
- [PUR 303-00](#) Competitive Bidding (Complete Section)
- [PUR 600-01](#) Reporting Receipt of Order