### University of Maine System
#### Purchasing Manual
March 2014

#### Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>2</td>
</tr>
<tr>
<td>What is Competitive Procurement?</td>
<td>2</td>
</tr>
<tr>
<td>Role of the Office of Strategic Procurement</td>
<td>2</td>
</tr>
<tr>
<td>Strategic Contracts</td>
<td>2</td>
</tr>
<tr>
<td>Selection of Supplier</td>
<td>2</td>
</tr>
<tr>
<td>Purchases under $10,000</td>
<td>3</td>
</tr>
<tr>
<td>Purchases between $10,000 and $49,999.99</td>
<td>3</td>
</tr>
<tr>
<td>Purchases of products</td>
<td>3</td>
</tr>
<tr>
<td>Purchases of services</td>
<td>3</td>
</tr>
<tr>
<td>Waivers from the competitive process</td>
<td>4</td>
</tr>
<tr>
<td>Purchases of $50,000 and over</td>
<td>4</td>
</tr>
<tr>
<td>Exceptions to the competitive process</td>
<td>4</td>
</tr>
<tr>
<td>Contracting Process</td>
<td>5</td>
</tr>
<tr>
<td>MaineStreet Marketplace</td>
<td>5</td>
</tr>
<tr>
<td>Department Contacts</td>
<td>6</td>
</tr>
<tr>
<td>Links to Applicable Administrative Practice Letters</td>
<td>6</td>
</tr>
</tbody>
</table>
Introduction

University procurement rules apply to the selection of suppliers of all goods and services. As a public institution, selection of suppliers is made under a competitive process. The rules for the competitive process vary based on the total dollar value of the purchase or contract for services.

What is Competitive Procurement?

As a public institution all procurement transactions shall be conducted in a manner to provide, to the maximum extent practicable, open and free competition. The Competitive Procurement Process refers to all methods of obtaining prices from multiple suppliers including selection based on bid price alone, qualifications alone or best value.

Role of the Office of Strategic Procurement

First and foremost, the staff of the Office of Strategic Procurement (OSP) is here to assist in any procurement transaction or project. Staff can provide help and guidance at any stage and a complete list of contacts is available at the end of this manual. In addition, the staff of the OSP is responsible for ensuring, to the extent practicable, that University Procurement Policy is followed. As a public institution, all purchases are subject to review via freedom of access laws, therefore adherence to procurement policy is everyone’s responsibility.

Strategic Contracts

For your convenience, the University has established contracts for many of the most often purchased items. These contracts are competitively procured and represent the aggregate buying power of the University. In addition, often these contracts are cooperatively bid by many universities from across the country. For ease of ordering, many of these contracts may be accessed directly through MaineStreet Marketplace (e.g., office supplies, furniture, computer equipment, AV products). Additional contracts are available that are not represented in MaineStreet Marketplace. Information on these contracts can be obtained from OSP staff.

Selection of Supplier

Whenever possible, use an existing Strategic Contract to purchase goods and services. When a contract is not available, certain rules (and exceptions) apply based on the total dollar value of the purchase or contract.
Purchases under $10,000

For purchases or contracts where the total dollar value of all payments (including payments over multiple contract years) is under $10,000, no competitive process is required per University Policy, however we highly recommend seeking as many qualified candidates as is reasonable under the circumstances to ensure that the University receives the best value. Reminder – whenever possible, purchases should be made with suppliers under a Strategic Contract.

Purchases between $10,000 and $49,999.99

When the total dollar value of all payments (including payments over multiple contract years) is between $10,000 and $49,999.99, an informal competitive process is required per University Policy. The process varies slightly between purchase of products and contracts for services. Reminder – whenever possible, purchases should be made with suppliers under a Strategic Contract.

- **Purchases of products**
  - At least three written quotations from qualified suppliers must be requested. The requests for quotations should be in writing (e.g., email or fax). On those occasions where less than three quotations can be obtained, document your attempt to obtain three and explain the circumstances that resulted in less. Do not obtain a quote from a company with whom you do not intend to do business. Written quotations do not include catalog cuts or printouts from web pages. Once quotations are obtained, the lowest priced supplier should be awarded the order. A purchase order is created in MaineStreet Marketplace using the Vendor Quote Form with all quotations attached. In the unlikely event that circumstances suggest that the order not go to the lowest priced supplier, the award and order may only be made with written permission from the Office of Strategic Procurement. Helpful information about obtaining quotes can be found at: http://www.maine.edu/wp-content/uploads/2013/08/Request_for_Quote_Form.pdf

- **Purchases of services**
  - At least three written quotations from qualified suppliers must be requested and evaluated against pre-determined criteria in order to identify which supplier provides the best value to the University. Note that best value does not always mean the lowest price, but instead is a combination of those criteria that help to ensure the supplier will perform to the standards required at the lowest possible cost to the University. Examples of criteria could include experience (especially with higher education institutions), education, references, availability within the prescribed timeframe, and cost (including any reimbursable expenses). A purchase order is created in MaineStreet Marketplace using the Personal and Professional Services Form and as an internal attachment provide a summary of the selection process including the names of suppliers solicited and justification for selection. The contract itself should be attached as an external attachment so that it will be delivered to the supplier with the purchase
order. Note – the quantity and price should be “flipped” when creating the purchase order so that partial receipts and payments may be made. Specific steps for creating the contract can be found in the “Contracting Process” section below.

**Waivers from the competitive process**
- Purchases specifically waived under University policy (e.g., goods/services named in grants, items for resale, honoraria). A comprehensive list can be obtained in section V.A. of APL VII-A.2, University of Maine System Purchasing Procedures.
- Sole Source Purchases
  - Sole source purchases are made when goods or services, because of unique characteristics or other reasons, are available from only one source. **Sole source justification cannot be based on quality, price, mere preference or urgency created by inadequate planning or untimely action by the requestor, such as the imminent expiration of a contract that could have been foreseen.** All sole source justifications are subject to public review and must contain clear, in-depth and accurate information. The authorization and justification for these purchases shall be documented on a sole source form. A purchase order is created in MaineStreet Marketplace using the Sole Source Form. The Sole Source Form may be obtained at: [http://www.maine.edu/pdf/Sole_Source_000.pdf](http://www.maine.edu/pdf/Sole_Source_000.pdf)
- Emergency Purchases
  - Emergency purchases may be made only to meet bona fide emergencies arising from unforeseeable causes. Emergency purchases should be made on the basis of competitive procurement and approved in advance whenever practicable. Appropriate documentation shall be maintained on the justification for any emergency purchase. An emergency procurement documentation form may be obtained at: [http://www.maine.edu/pdf/Emergency_Purchase_Justification.pdf](http://www.maine.edu/pdf/Emergency_Purchase_Justification.pdf)

**Purchases of $50,000 and over**

When the total dollar value of all payments (including payments over multiple contract years) is $50,000 or greater, a formal sealed competitive process is required per University Policy. Formal sealed competitive processes are conducted by the Office of Strategic Procurement. Procurement staff will assist in structuring and administering the sealed competitive process. As is the case with contracts between $10,000 and $49,999, evaluation of the sealed competitive process is based on pre-determined criteria. The Office of Strategic Procurement should be contacted as soon as possible. Reminder – whenever possible, purchases should be made with suppliers under a Strategic Contract.

**Exceptions to the competitive process**
- The exceptions listed above also apply to purchases of $50,000 and over except:
Sole Source Justification and Emergency Forms must also be signed by the Director of Strategic Procurement and the Vice Chancellor for Finance and Administration (or designee).

**Contracting Process**

In order to ensure that both parties understand their respective legal requirements, a contract document must be prepared and signed by both parties before any work is performed. The University of Maine System Contract for Services (for contracts with business entities) or the University of Maine System Personal Services Contract (for contracts with individuals) are pre-approved contract documents that should be used when establishing a contract with a supplier. You may elicit the assistance of University Counsel or the Office of Strategic Procurement for wording and other guidance specific to your contract.

When the details of the agreement are settled, create the contract by using the appropriate document (i.e., Contract for Services or Personal Services Contract), including Attachment A “Specifications of Work”, Attachment B “Contractor Insurance” and Attachment C (if applicable) “Standards for Safeguarding Information”. Attachment A outlines the list of duties and deliverables that the contractor will provide as well as any timeframes and/or milestones. Attachment B lists the minimum insurance requirements for the contractor that ensure the lowest level of risk for the University. Please consult with the Office of Strategic Procurement or the Office of Risk Management for insurance requirements. Attachment C is required if protected data may be exposed to the contractor. Please consult the Office of Strategic Procurement or the Office of Information Security to determine if this Attachment is required.

Send a copy of the unsigned contract to the Office of Strategic Procurement BEFORE the contract goes to either party for signatures. This is for review purposes to ensure the contract has been filled out in its entirety. For contracts between $10,000 and $49,999, provide a summary of the selection process, including the names of suppliers solicited and the justification for selection. Financial approvals will be handled via MaineStreet MarketPlace Workflow Rules.


**MaineStreet Marketplace**

MaineStreet Marketplace (MSM) is the University of Maine System’s primary procurement toolset. It is designed to provide an intuitive and easy to use web-based interface. MSM includes direct connections
to many of the University’s key strategic suppliers of goods and services and provides a one-stop shop within which all purchases can be made quickly and efficiently. The benefits of MSM are many:

- University contracted pricing and shipping terms
- Easy product searching across multiple contracts and suppliers
- Automated approvals
- Automatic Distribution of Purchase Orders to suppliers
- Paperless Transactions
- Access to comprehensive order history

MSM is connected directly to the University’s ERP system – MaineStreet. Users access MSM from the MaineStreet portal. If you are not already an MSM user and are interested in being one, please email us at marketplace@maine.edu and we’ll connect you with your campus-based support staff.

**OSP Contacts:**

Links to applicable APLs:

- **APL Section VII-A.2** University of Maine System Purchasing Procedures
- **APL Section VII-B** Procurement Standards of Conduct
- **APL Section VII-C** Purchasing Cards
- **APL Section VII-D** Cellular Telephone Acquisition and Use
- **APL Section VII-H** Determining Employee Versus Independent Contractor Status