March is Purchasing Month!

Did you know the National Institute of Governmental Purchasing (NIGP) recognizes the month of March as Purchasing Month? The purpose of Purchasing Month is to inform the community about the services and benefits offered by the Purchasing Department, as well as acknowledging an elite group of professionals that routinely makes a difference in governmental efficiency and effectiveness.

In 2014, the Purchasing Department processed over 35 formal solicitations and signed 929 contract documents. We processed over 7,700 purchase orders with a total exceeding $144M. During that time, we saved the university over $4.5M through cost avoidance and cost-savings actions that included aggressive competition, negotiations, and vendor incentives.

Other ongoing services we provide include procurement training to departments (provides understanding of the procurement processes/procedures, and mental tools to facilitate expeditious and cost effective buying), and vendor outreach to connect departments with qualified local sources of supplies.

As procurement professionals, our number one goal is to provide exceptional service each day. Please feel free to contact us any time during your procurement planning and we will be very happy to provide the best guidance available to satisfy your procurement need. Happy Purchasing Month! Go Knights!

Beneficial to Use Existing Contracts

The Annual Contracts List has been updated on our website, and UCF departments can use any active contract on the list. The contracts on pages 1 and 2 of the list were solicited and awarded by UCF. Page 3 includes contracts that have been competed by other agencies. These contracts typically leverage expenditures among multiple agencies which in turn may provide better pricing, terms and conditions. These organizations are excellent resources that can be used to acquire needed goods and services up to any dollar amount without additional competition. We encourage the use of these contracts as needed to facilitate and expedite your purchasing requirements. Links to various usable contracts are at http://www.purchasing.ucf.edu/contracts/index.asp. Contact Purchasing for assistance in locating or determining whether a contract exists for your particular need.
Approaching Year End: Time to Review Contract Expiration Dates & Renewal Options

It’s time to check your current contracts for expiration dates and renewal options. Renewal notices for those contracts awarded via formal solicitation (Invitation to Bid (ITB)/Invitation to Negotiate (ITN)) will be sent via e-mail to departments in the coming weeks. Please respond as soon as possible so that the vendor(s) can be notified of your decision to renew or rebid. Generally, it takes 30-45 days for contracts awarded under the ITB process and 90 - 180 days for the more complex solicitations (ITN). An early start may help ensure that the award process is completed by fiscal year end or contract expiration.

Competition Works!

Leveraging savings and cost avoidance through competitive procurement processes is one of the ways that Purchasing brings value to the university. To demonstrate that point, Purchasing documented savings in excess of $8 million over the past two years as a result of competition alone. We understand that occasionally it is difficult to research and obtain the required competition, so Purchasing will gladly assist in obtaining the required number of quotes when a department’s research falls short.

Competition Requirements Reduced!

Purchasing is pleased to announce that the bid threshold for university purchases was recently increased from $50,000 to $75,000, with the quote thresholds reflected below. It is preferable to seek competition for all purchases, regardless of dollar amount because competition works. The new competition thresholds are as follows:

1. Less than $10,000: Quotes are not required. Competition is encouraged.
2. $10,000.01 - $35,000.00: Two or more informal price quotes are required.
3. $35,000.01 - $75,000.00: Three or more formal written price quotes are required.
4. $75,000.01 - Above: Formal Invitation To Bid (ITB) or Invitation To Negotiate (ITN) are required unless the acquisition falls under a competition exemption, state contract, etc.

For further details or questions, please review the Purchasing Manual, section 3.B or contact Purchasing at 407.823.2661 or purchdep@ucf.edu.
Sole Source, Waiver of Competition or Sponsored Research Exemption

By definition, a waiver of competition is required for the purchase of commodities, contractual and construction services between $10,000.01 and $75,000 available from a single source. A sole source is required when the purchase exceeds $75,000. A sponsored research exemption may be used when contract or grant funded purchases are necessary for the efficient or expeditious prosecution of a research project. Sole sources and competition waivers are not easily approved nor without appropriate due diligence; therefore, it is imperative to thoroughly justify these requests to facilitate a proper analysis by the Purchasing staff. More information is available at www.purchasing.ucf.edu.

Contract Signatures: Can I sign this document?

UCF General Counsel must approve all agreements, contracts and terms and conditions (except those scribed on a vendor’s quote sheet). UCF Policy 2-107.2 identifies departmental personnel who have been delegated authority to execute contracts/agreements on behalf of the university. It is important to know that individuals obligating the university without proper authority could be held liable to pay the vendor with personal funds.
More information can be viewed at http://policies.ucf.edu: 2-102.2 Contract Review and 2-107.2 Signature Authority.

Purchasing and Finance & Accounting: Same Family, Different Departments

Purchasing and Finance & Accounting (F&A) are often mistaken as the same entity. Simply put, Purchasing buys goods and services and F&A pays for them. The following are a few clarifying distinctions:

- Requisitions for the purchase of goods and services go to Purchasing to be sourced into a purchase order; requisitions for travel, projects, reimbursements and petty cash go to F&A.
- Invoices go to F&A to be processed for payment.
- Purchasing inputs companies and corporations as vendors and F&A inputs individuals as vendors into UCF Financials (PeopleSoft).
- F&A manages the PCard and Travel Programs.
- Purchasing manages the Diversity in Contracts Program.
- Purchasing signs contracts on behalf of UCF Departments.

Facts of After the Fact Orders: Liabilities to the University

An After the Fact order occurs when university funds are committed without obtaining the appropriate internal approvals and purchasing method (i.e., purchase order, contract, PCard, etc.) prior to goods or services being ordered or rendered. After the Fact orders are violations of UCF Policies 2-102.2, 2-107.2 and Regulation 7.130. Employees obligating the university could be liable to pay for the goods or services with personal funds. Below are two common examples of After the Fact purchases:

- Submitting a Requisition for a PO after placing a verbal order for goods/services.
- Submitting an agreement/contract for approval after delivery of services/commodities is underway.

After the Fact orders can create significant supplier relationship problems, place the university at financial risk, and create unnecessary administrative efforts. Please contact Purchasing to discuss your needs; urgent or otherwise.
Looking to Purchase a Vehicle?

Chris Tangel will be happy to assist (3-4251) in your vehicle purchases, and can point you to existing State contracts with discounts deeper than you will get from dealers directly. A few quick points:

- Florida vehicle dealers are responsible for processing all State tags, titles and registration documents.
- Vehicles must be approved by the VP for Administration and Finance via the vehicle approval form.
- Non-flex fuel vehicles must be approved by the Sustainability Department.
- To speed the process, title and registration documents must be addressed to: University of Central Florida | 12479 Research Parkway | Orlando, FL 32826

Additional information can be found on our website.

Underutilized Contracts That Can Save Money

Specialty Underwriters (Discounted Equipment Maintenance Program)

The Specialty Underwriters (SU) Equipment Maintenance Program offers an alternative to traditional annual equipment maintenance agreements. This discounted maintenance program offers a significant cost-savings (17-35%) opportunity to departments without negatively affecting their present service provider or the quality and timeliness of equipment repair and service. Under this program, University departments can continue to receive support from the same service providers they currently use, just at deeper discounted rates. This program can cover equipment from various areas including but not limited to laboratory and research, information technology, office automation and security equipment/systems.

Contact Purchasing’s Elida Prophete (3-3383) or Specialty Underwriters’ Elaine Wilson, Market Specialist, Office 800.558.9910; E-mail: ewilson@su-group.com to learn more about this program.

Graystone Group Advertising (Employment Search and Media Advertising)

Graystone Group is a UCF partner that provides discounted advertising through every type of media for both print and the Internet. The process is fast and easy. Graystone handles all the details associated with submitting the ad, and departments only pay the cost of the ad, since Graystone’s services are paid by the media used. The company has discounted rates with most media outlets; including The Chronicle of Higher Education that provides a 10% rate reduction for display ads and a 15% reduction for display ads over 20 column inches.

Contact Doug Murphy; Phone: 321.636.9790; E-mail: DMurphy25@cfl.rr.com if you are interested in their service.

Updated 2015 Hotel Rates

Purchasing reaches out to local hotels annually to negotiate discounted hotel rates that are available to UCF faculty, staff, family and friends. You can view the updated rates at www.purchasing.ucf.edu/contracts.

Shipping Charges - FOB Destination

Did you know our preferred shipping method is “Freight-on-Board” (FOB) Destination? You may ask, what does FOB Destination mean? Simply put, the vendor owns the goods in transit and is responsible for shipping charges. The university does not take ownership of the goods until delivery, and acceptance of the shipment and damages occurring during transit are the vendor’s responsibility. We suggest that whenever possible, negotiate FOB Destination and free shipping for your orders.
Coming Soon

Diversity in Contracts

The UCF Diversity in Contracts Program, in support of two university goals: become more inclusive and diverse and be America’s leading partnership university, endeavors to create an equitable purchasing environment for all businesses by working to remove barriers to business opportunities. The focus of the program is to assist businesses that are small or historically underutilized navigate through the purchasing process at UCF. There are competitive and qualified diverse vendors in all areas of business, and we will be happy to connect departments with a source for any particular need.

The program captured over $25.8 million of UCF expenditures with diverse companies in FY2014. If you are interested in learning more or participating in this program, please contact (407)823-5346.

Contract Management System

We awarded a contract to CobbleStone Systems Corporation for a Web-based Contract Management System. Implementation was spearheaded by UCF General Counsel and was a collaborative effort amongst various university departments. The system will allow us to create a centralized repository/database of all contracts processed by the university, which in turn will facilitate easy tracking of approvals and retrieval of various information such as expiration dates, cost and much more. Information Technologies & Resources is currently working on the initial set-up and training with General Counsel, College of Medicine, Office of Research and Purchasing as the initial recipients for phase one (estimated to rollout July 2015), with other departments to follow.

Electronic Bidding Solution

Purchasing is currently testing the use of Bonfire, an electronic bidding solution that will allow us to receive and accept supplier bids/proposals digitally (instead of hardcopy) and evaluate the submittals on a Web-based platform. This online tool is expected to reduce the administrative work associated with the solicitation process for both purchasing and university evaluators as well as support the university’s goal for sustainability. We anticipate implementing this solution in the near future!

Reduce Consulting Agreement Costs: Deny Open-Ended Travel Expenses

When preparing to work with a consultant, request that travel fees are included in the total cost of your quotation or agreement, preferably with a cap. Otherwise, undocumented fees can drastically increase the total cost of the acquisition. By documenting the travel cost up front, you can select the best value and limit the university’s exposure to open-ended fees. This is not a desirable quote method for consultants for obvious reasons, but we have had much success with firm fixed consulting pricing.
Congrats and Welcome to Our Team Members!

Brian Sargent, Assistant Director, became a Certified Professional Public Buyer (CPPB). This designation is awarded by the Universal Public Purchasing Certification Council and is highly recognized in the public procurement profession. The Council measures professional competence in subject areas covering Procurement Administration, Sourcing, Negotiation Process, Contract Administration, Supply Management, and Strategic Procurement Planning surrounding public procurement. Brian also had to meet or exceed other criteria which included formal education, public procurement experience and coursework/training in the procurement field. Congratulations Brian!

Chris Tangel, Sr. Purchasing Agent, is the USPS Employee of the Month for February 2015. Chris is a valued team member that has earned the reputation as the “go-to” person for vehicles and furniture, and her diligence saved over $228,000 for university departments. Her procurement knowledge was key in awarding contracts for university-wide requirements such as the Copier Services Contract and the Contracts Management System (complex acquisitions normally reserved for higher ranked procurement professionals). No task is too big or small for her. She also became the proud grandmother of Penny, a beautiful little girl. Congratulations Chris!

Cali Jones, Purchasing Coordinator, Chris Tangel, and Brian Sargent completed the 8 week Contracts Administration course offered by the National Institute of Governmental Purchasing. The course is a milestone accomplishment for anyone in the procurement field. Kudos to the three of them!

Elida Prophete, Coordinator of Administrative Services, became the proud mother of her first child; Isaac is a handsome little fellow.

Nellie Nido, Associate Director, joined the team late June and supervises all acquisitions for the department and looks forward to assisting our customers with any purchasing needs. She also manages the Diversity in Contracts Program. We are fortunate to have her. Please contact her directly at 3-5346 for procurement concerns or just to welcome her aboard.

Marielle Ngamije, our Student Assistant, joined us this past June and is providing valuable support while working towards a Bachelor’s Degree in Public Administration.

Amber Kornegay, Program Assistant, the newest member of our small but elite family, joined us January 2015 and has already demonstrated that she will be a great asset.

Visit our website to find more about us! http://www.purchasing.ucf.edu/Staff