Procurement 101
September 6, 2023  |  9:00 - 11:30 AM
Presenters: Procurement Services Team

- **Sai Vang**, Procurement Director
- **Chris Lam-Vazquez**, Lead/Contracts Administrator
  - Public Works contract
  - Facilities Development & Operations (FD&O)
  - Misc. contracts
- **Thomas Ballinger**, Contracts Administrator
  - Software Licenses
  - Misc. contracts
- **Diego Campos**, Buyer II
  - IT hardware
  - Misc. commodities
  - ASI Department
  - University Police Department & Transportation
- **Bhavesh Patel**, Buyer II
  - Athletics Department
  - The College of Science
  - CSUBUY
  - Misc. commodities
Agenda

● Overview of Purchasing Process
● Policies and Procedures Governing Procurement
● Roles and Responsibilities of Procurement and the Campus Community
What do you mean - engineering already gave you the order?
About Us

Procurement Services . . .

- supports the University to obtain the necessary commodities (tangible goods) and/or services
- supports the University through the purchasing process while ensuring compliance with policies and procedures
- has delegated authority to issue purchase orders and award contracts on behalf of the University
Procurement Objective

The primary responsibility for Procurement is to comply with California state and CSU policies and adhere to general principles such as making reasonable efforts to ensure the campus community and vendors are aware, adhering to a defined process, and collecting appropriate documentation.
The Procurement Process is designed to:

Ensure fair and open competition:
- Guard against favoritism, improvidence, extravagances, fraud and corruption;
- Ensure that the results meet University needs;
- Provide for checks and balances to regulate and oversee University Procurement activities; and
- Protect the interests of the State and its taxpayers
PROCUREMENT PROCESS

Requisition to Purchase Order Process

1. Initiate a new Requisition
2. Requisition is approved by the Department
3. Requester submits Requisition in PeopleSoft (RFS)
4. Budget Check (24 hr clearance)
5. Purchasing Lead assigns Requisition to Buyer
6. Buyer goes through purchasing Process
7. Buyer dispatches Purchase Order (PO)
8. Buyer Places PO with Vendor
9. Shipping and Receiving department receives item against PO
10. Shipping and Receiving department delivers item to requester
11. Invoice is sent to Accounts Payable (AP) for Payment Issuance
12. Depending on the PO, AP performs a 2-way or 3-way match
13. Payment is made according to terms
End
Delegation of Authority

Constitution
  - Legislature
    - Governor
  - Board of Trustees
  - Chancellor
    - Campus President

Articles
  - Codes
    - Regulation
      - Resolution
    - Executive Orders
  - University Policies

https://csueastbay.policystat.com/policy/12254384/latest
Competition Thresholds, < $50,000

- Competition is Not Required by CSU Policy
- Quote/Proposal
- Statement of Work
- Purchase Order or Contract
Good or Services, $50,000 - $100,000
ITR $50,000 - $500,000

- Informal
- Quote/Proposal from at Least 3 Vendors
- DVBE/SB Outreach Recommended
- Cooperative Agreement/Master Enabling Agreement
- Purchase Order or Contract
Good or Services $100,000+
ITR $500,000+

- Formal Solicitation
- Advertised
- Bid Opening
- DVBE/SB Required Unless Waived
- Invitation for Bid (IFB) Lowest responsive and responsible
- Request for Proposals (RFP) Most qualified responsive and responsible
5-Minute Question & Answer Time
Please raise your hand or type in your question in the comment box.
Things for department to consider

Considerations:

1) Bid thresholds
2) Bid Exceptions
   A. MEAs
   B. Other Piggyback Agreements
1) Existing vendor vs New Vendor (VDR)
2) IT software and equipment
   A. ICT Review
1) Other methods: p-card, blanket PO, CSU Buy, STLS

***Engage Procurement at the start of the process***
What is a Requisition?

- A requisition is a request from a University Department to the Procurement Office to make a purchase.
- It is entered in PeopleSoft CMS.
- Requisition may be for:
  - Commodity
  - Service
- Is it a request to pay a supplier?
Department Requisitions

- User’s guide “how to submit requisition in Peoplesoft”
- Who can enter?
- Include required documents
Requisition is approved by Department’s Fiscal DOA to commit funds for the purchase

Fiscal DOA - determined internally but provides the Procurement Department the approval to proceed with the acquisition.
Requisition for Service require the following:

- Description of service required
- Statement of Work
- Vendor's Proposals
- Period of Service: Is the order for a one-time service or repeat service?
- Provide a list of who is authorized to request service.

All service requisitions must have appropriate insurance on file before the service order can be released.
Requisition for Commodities require the following:

- Detailed description of goods/services requested
- Specific Identifiers, Part numbers, model
- Quote or Proposal
- Supporting documentation like emails from supplier
Requisition Timeline / Steps

● One business day to Budget Check - After DOA approval

● Requisition gets assigned to a Buyer

● Turnaround time depends on thoroughness and complexity

● Bid threshold - does it require bidding? procedure to be followed

● Commodity or service

● An incomplete requisition
Requisition Process

- Requisition is assigned to the appropriate buyer
- Buyer processes requisition to a Purchase Order
- Buyer issues/dispatches Purchase Order
Change Order Request

Request a change to an existing Purchase Order.

Requestor Name: ___________________ Today’s Date: Aug 31, 2023

Purchase Order Information

Purchase Order ID/Number: ___________________
Contractor/Vendor Name: ___________________
Buyer: Chris Lam-Vazquez Email Address: chris.lam-vazquez@csueastbay.edu

Change Order Information

Change Order Number: 1

1. Line Number: 3
   - Reason for change (multiple selection options):
     - Increase cost by
     - Decrease cost by $27,000.00
     - Account field
     - Term duration
     - Product or Service
     - Other

2. Line Number: 2
   - Reason for change (multiple selection options):
     - Increase cost by $27,000.00
     - Decrease cost by
     - Account field
     - Term duration
     - Product or Service
     - Other

☐ Attach revised Quote/Proposal or other supporting documentation

I have the fiscal delegation of authority to approve this change order request.

Fiscal Delegation of Authority Name: ___________________
Signature: ___________________ Date: 08/31/23
What is a Contract?

An agreement enforceable by law between two or more competent parties to do or not to do something not prohibited by law, for legal consideration.
Legal Elements of a Contract

- An Offer
- An Acceptance in strict compliance with the terms of the offer
- Legal Purpose/Objective
- Mutuality of Obligation
- Consideration
- Competent Parties
Software Related Purchases (ICT Process)

- All software related purchases including renewals of existing software must be made by the Procurement Office unless the Director of Procurement grants approval to acquire/purchase another way.
- Never sign anything without the approval of Procurement. If a vendor asks you to sign anything forward it to Procurement immediately for review.
- Before any software related agreement can be signed or renewed the product must complete the ICT review process which reviews for Accessibility and Information Security,
ICT Review

- After the ICT review has been completed with an affirmative recommendation an ICT number will be issued to the requestor.

- After the ICT number has been issued a requisition can be entered and sent to Procurement.

- Requests for review can be submitted to IT via: https://www.csueastbay.edu/ict/index.html
Things to Remember Regarding Software Related Products

- No Purchase for Money
- No Zero Dollar Purchases
- No Gifts of Software
- No Free Trials
- No P-Card Purchases
- No Reimbursements
- No Purchases Through a Vendor Website (click-through) or APP
5-Minute Question & Answer Time
Please raise your hand or type in your question in the comment box.
What is CSUBUY?

- CSUBUY is the first step in transforming the way the CSU manages the Procure-to-Pay process. This change creates a foundation for future implementation of automated workflow, requisitioning, purchase orders, and AP functionality through integration into CFS (Common Financial System) and Oracle.

- The Campus Marketplace is a collection of supplier catalogs with CSU contracted pricing. The marketplace provides P-Card users discounted pricing and suppliers a trade portal for selling their product through a "Supplier Hosted Catalog."
CSUBUY - How to access and purchase?

CSUBUY is available to all CSUEB employees, all of whom will receive the Shopper role. If you want to be able to check out with a P-Card, then you will need to contact Bhavesh Patel or Chris Lam-Vazquez to update your role to a Requester role.

How to Guide for End Users:
https://www.csueastbay.edu/procurement/files/docs/purchasing/csubuy-end-user-training-guide.pdf
Responsibilities
Procurement Department Responsibilities

- RFQ/RFP Solicitation
- Contract dispute resolution
- Develop, implement and maintain policies and procedures
Requesting Department Responsibilities

- Engage Purchasing Early
- Plan & Anticipate Requirements
- Adhere to Purchasing Procedures & Policies
- Provide Clear & Precise Specifications (SOW)
- Contract Management
Departments Are Not Authorized To:

- Make a purchase or contract a service without an approved purchase order
- Sign any contractual agreement, i.e., license agreement, MOUs (Memorandum of Understanding), CSU Agreement
- Pick up merchandise without an approved CSUEB issued purchase order
- Unilaterally cancel/make change(s) to a CSUEB issued purchase order
Statement of Work (SOW) – Provided by Requester

- Defines the obligation of the contractor
- Written in plain and precise language
- Establishes requirements
- Should address the desired end result
- SOW should contain deliverables & timeline

Suggested Format for STATEMENT OF WORK
Advisory: Small business/DVBE

The State of California is committed to helping small, diverse and disabled veteran businesses thrive.

Requirement for all State Entities:

DVBE:
- DVBE (Disabled Veteran Business Enterprise)-certified by DGS
- Required 3% commitment of CSUEB total spending

Small Business:
- Certified by DGS
- Required 25% commitment of CSUEB total spending
- Include Small Business, Microbusiness, and SB-PW (new)
Reminder:
Closing Inactive Purchase Orders

- Departments to review their Open Purchase Order Report regularly
- Identify inactive purchase orders
- Submit a close of purchase order request to the respective buyers
  - List the purchase orders in numerical order
Procurement Office Hours

Every other Thursday from 1:00 - 2:00PM

Fall Semester Dates:
Sept 14, 28
Oct 12, 26
Nov 9
Dec 7, 21

Location: Zoom or In-Person
Question & Answer Time
Please raise your hand or type in your question in the comment box.
Post Survey

Please help us improve the effectiveness of this presentation.