

# Changes to University Purchasing Competition Thresholds & How to Build a Better Requisition

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FINANCE AND  
OPERATIONS



# Who are we?

- An arm of Procurement Services.
- Commodity Based Agents
  - Lynn Barello – Scientific Equipment, Furniture and Flooring
  - Steve Gale – Scientific Supplies and Equipment Maintenance Agreements
  - Mark Sillman – University Service Contracts
  - Alicia Waymack – Information Technology Hardware
  - Danesha Little – Software and Software as a Service (SaaS)
  - Veronica Green – Information Technology Services
  - Christy Baldrige – Travel, Entertainment, and Printing Services
  - Joe Eubanks – Material Repair and Operations (MRO) and Vehicles
  - Ted Bohlin – Contingent Workforce Agreements

<https://finance.unc.edu/departments/purchasing/>

# When to engage the Purchasing Team?

- Early and often
  - Request for Information (RFI) or Request for Proposal (RFP) process
  - Prevention of rework
  - Identification of other contracting avenues
- Anytime a supplier is asking for a signature related to purchase of goods or services regardless of dollar amount
- Guidance on purchasing processes
- Anytime a supplier is not performing in accordance with contract terms

# The Purchasing Process

- It all starts with the Requisition
  - New requirements
  - Change Orders
  - Chartfield String Changes
  - Contract Reviews
- What are we looking for?
  - Well defined requirements
  - Directional comments and Points of Contact
  - Supporting Documentation
    - Scope of Work/Product List
    - Supplier Quotes
    - Data-Protection Checklists
    - Waiver of Competition (Complete)
    - Trade-In Documents
    - Business Associates Agreements (BAA)/Confidentiality Agreements (CDA)/Non-disclosure Agreements (NDA)

# Change has arrived! July 1st

The solicitation method is generally determined by the estimated dollar value of the product or service to be purchased. The following dollar thresholds apply:

Dollar Range		Solicitation Process
SMALL PURCHASE	\$0	\$5000
	>\$5000	\$25,000
INFORMAL BID	> \$25,000	\$100,000
	> \$100,000	+

- Buy Carolina – UNC-CH most preferred option for small purchases. Gives access to cross catalog shopping and individual supplier punch-out catalogs.
  - Contracts – existing state, consortium, and university contracts in place to facilitate small purchase.
  - PCARD – allows for purchase below \$5,000 and does not require supplier to be added to the system.
  - Buy Carolina – UNC-CH most preferred option for small purchases. Gives access to cross catalog shopping and individual supplier punch-out catalogs.
  - Contracts – existing state, consortium, and university contracts in place to facilitate small purchase.
  - Requires a requisition to ensure all Capital Assets are identified, tagged and tracked in accordance with State policy.
  - No Waiver of Competition required.
  - Seeking multiple quotes still highly encouraged.
- Informal solicitation requiring at least 3 quotes.
- > \$25K- 100K- Quotes will be solicited via a University Request for Quote (RFQ) which will include University terms as well as EO50 language for North Carolina businesses.
- Formal competitive solicitation by Purchasing Services may be required. When the expected value of the total contract is expected to exceed \$100,000, departments should consult with purchasing services staff to determine the most appropriate procurement method. Solicitation is required to be advertised on the state IPS system. Waiver of Competition and customer justification may be used as appropriate if competitive products or services cannot meet required specifications.

# How to Buy

- Small Purchases

- Purchase of goods or services  $\leq \$5K$

- BuyCarolina First – check to see if item is available via one of our catalog vendors
    - PCARD – purchase any item not on the exception list via PCARD
      - No need to add vendor to the system
      - Receipt necessary to reconcile PCARD in BoA Worx
    - Campus Voucher for necessary invoice payments

- Purchase of goods or services from  $> \$5K$  and  $\leq \$25K$

- Purchases are with a requisition
    - BuyCarolina First up to \$25K (for most vendors)
    - Check STC/UTC/Consortium contracts
    - Waiver of Competition no longer required at this level
    - Requisition with single quote

- Informal Competition  $\$25K < P \leq \$100K$

- Requisition will include contact information for at least three vendors if available
  - Waiver of Competition is necessary at this level if applicable
  - RFQs will be sent to the identified vendors for official quotes and award will be made to the lowest cost vendor meeting specifications
  - RFP/IFB may be used at agent's discretion if deemed appropriate for complexity or public advertisement
  - IPS may be used to solicit responses

# How to Buy (cont)

- Formal Solicitations > \$100K
  - IFB/RFP documents are mandatory
  - Bid posting timelines (min 10 days still apply)
  - For solicitations >\$500K when using > 30% State Funds
    - State P&C will need to pre-screen the Request for Proposal (RFP)/Invitation for Bid (IFB) document prior to posting
    - Once bid tabulations are complete and a vendor has been selected, RFP/IFB responses and vendor selection letter will need to be forwarded to State Purchasing and Contracts for approval prior to award
  - UNC-CH Legal Counsel and Chief Procurement Officer Review/Approval of high value contracts (> \$1M)

# Contract Term

- Contract Term for goods may not exceed three (3) years including renewal and/or extension without approval of the State Procurement Officer.
- No contract may allow for more than 2 one-year renewals without prior approval of the SPO.
- G.S. 143-53(d) : The University of North Carolina may solicit bids for service contracts with a term of 10 years or less, including extensions and renewals, without the prior approval of the State Purchasing Officer.



# Creating a Strong Requisition

# What makes a strong requisition package?

- Clear and concise requirements
  - Statement/Scope of Work
  - Equipment list
- Key information to assist in the sourcing process
  - Supplier Contact Information
  - Department Contact/Hiring Manager
- Supporting documentation
  - Covered in next section

# Requisitions Basics

**Special Requests**  
**Recently Ordered**

Vendor  
Requires this  
information on  
some POS

Detailed  
description of  
each item being  
purchased.

Enter information about the non-catalog item you would like to order.

## Item Details

*Item Description	Nanamax 3000 Electron Microscope		
*Price	600000.0000	*Currency	USD
*Quantity	1.0000	*Unit of Measure	EA
*Category	41100000	Due Date	07/01/2022

## Supplier

Supplier ID	0000000004
Supplier Name	LIFE TECHNOLOGIES CO
Supplier Item ID	

## Manufacturer

Mfg ID	
Manufacturer	
Mfg Item ID	

Accurate category codes route  
the requisition to the correct  
buyer and assist in pulling  
reports.

## Additional Information

☐ Send to Supplier

☐ Show at Receipt

☐ Show at Voucher

## Request New Item

☐ Request New Item

A notification will be sent to a buyer regarding this new item request.

Apply

# Requisitions Basics

Identification of  
requisition and  
reassignment if  
needed

## Checkout - Review and Submit

Review the item information and submit the req for approval.

Buyer	Req ID	Requisition Name	Date of Approval	Comments
awaymack	1000756007	Change Order-PO Y21AMW0207	6/6/2022	
	1000757968	CW23 AFT Support Agreement	6/8/2022	
	1000758308	REQ-2580	6/9/2022	
	1000758870	5121480 ScanPro 2500	6/15/2022	
	1000759897	COREq for PO#200681011	6/15/2022	
	1000760716	1000760716	6/20/2022	
	1000761690	SEI-GREENWOOD-R188376	6/29/2022	
	1000761750	AudioVisual Solutions	6/24/2022	
	1000762890	LENOVO-GREENWOOD-R#188408	6/28/2022	
	1000763414	1000763414	6/29/2022	
	1000763481	LENOVO-BOLISH-R189652	6/29/2022	
	1000763504	DNS-DONAGHY-R#189823	6/29/2022	
	1000763569	ARC - Service Express FY23	6/30/2022	
	1000763635	DNS-MCSHERRY-R#190233	6/30/2022	
	1000764098	CHANGE ORDER-NC COMM-R190575	7/1/2022	
bohlin	1000760843	Advance Dental Assoc.	6/30/2022	
	1000763233	Chalkboard Partners FY23	6/29/2022	
	1000763282	Aging- Liquidate PO Y21CTP0014	6/29/2022	
	1000763592	Change Order to Y22TED0106	6/30/2022	
cbaldrid	1000760021	1000760021	7/1/2022	
	1000760863	2023 WABF-Sheraton	6/20/2022	
	1000761080	2023 WABF-Residence Inn	6/21/2022	
	1000761192	2023 WABF - RCC	6/21/2022	
	1000762117	Nexwork Database Tracking	6/30/2022	
	1000762137	1000762137	6/24/2022	
	1000762199	1000762199	6/24/2022	
	1000762212	1000762212	6/24/2022	
	1000762410	U.S. ART (Unsettled Things)	6/27/2022	
	1000762457	Plus Delta (CopperReef)	6/27/2022	
	1000762916	2023 WABF - Mosaix	6/28/2022	
	1000763099	Fall 2022 BurchMusicalPerspect	6/28/2022	
	1000763400	Bio-IT World Conference 5/2023	6/30/2022	
	1000763539	Fellows Graduation Dinner FY21	7/1/2022	
	1000763591	Wilmington Ballast GenRet 2022	6/30/2022	
	1000763649	FY22BRAZEN/CS/ER CORP PARTNER	6/30/2022	
	1000763752	The Logan Philadelphia's Hotel	6/30/2022	
	1000763816	1000763816	6/30/2022	
	1000763864	Blockade Runner Agreement	6/30/2022	
	1000763896	Sienna Mercato	7/1/2022	
dsittle	1000759230	Unite USA Inc	6/15/2022	06/16- Dept still working on DPC
	1000759657	ADOBE-NEVILLE-R187444	6/15/2022	06/27- Forwarded add'l revisions to vendor
	1000760129	PTY Group Subscription	6/17/2022	06/21- Requested DPC

at Chapel Hill

Morse

HNOLOGIES  
3A  
GEN LI

My Preferences

Requisition Settings

Attachments and Comments (0)

Requisition Name LifeTech Elect Micro Biology

Priority Medium

Add More Items

Quantity	UOM	Price	Total	Details	Comments	Delete
1.0000	Each	600000.0000	600000.00		Add	

# Requisitions Basics

## Requisition Comments and Attachments

Enter requisition comments

### ATTENTION BUYER:

1) Please set up line to pay by amount.

2) The amount on the requisition is higher than the estimate to cover overages

☐ Send to Supplier

☐ Show at Receipt

☐ Show

Comments:  
The Devil is  
in the  
Details

## ePro Requisitions

[Help](#)

### ATTENTION BUYER:

1) Please set up line to pay by amount.

2) The amount on the requisition is higher than the estimate to cover overages from last years PO Y20JME0257 as a new purchase order needed to be set up.

3) Previous PO #'s: 2020-2021 = Y20JME0257 (Transfer year from paying Google directly to paying Onix)

4) Vendor Contact Information: Onix Networking Corporation 18519 Detroit Ave. Lakewood, OH 44107 WEB: [www.onixnet.com](http://www.onixnet.com) Phone: +1 (800) 664-9638 Phone 2: +1 (216) 529-3000 FAX: +1 (216) 529-3020 Email: [marketing@onixnet.com](mailto:marketing@onixnet.com)

5) Vendor Sales Representative: Name: Philip Stephens Phone: (216) 767-5912 Email: [philip@onixnet.com](mailto:philip@onixnet.com)

6) UNC Contact Information: Saianand Balu UNC Chapel Hill Facility Director, Bioinformatics Core 5213 Marsico Hall CB 7295 Chapel Hill, NC 27599 Phone: (919) 966-0028 Email: [sai@unc.edu](mailto:sai@unc.edu)

[Return](#)

# Comment Templates

- New Requisitions

- Prior PO# if applicable
- Indicate if line will be received by qty or amt
- Vendor contact info (Name, Email, Phone#)
- Please indicate if this PO is a Blanket/Standing Order

- Liquidations/Cancellations

- PO# Requiring Change
- Confirm all invoices have been paid if applicable
- Indicate line numbers requiring liquidation or indicate "Liquidate entire PO"
- Provide reason for cancellation
- For cancellations provide vendor email confirmation of order cancellation

- Chartfield Changes

- PO# Requiring Change
- Which lines will be replaced with need lines on the requisition

"Please close lines 1-3 and replace with new lines reflecting update CFS"

- Adding/Reducing Funds

- PO# Requiring Change
- Adding Line
  - Please indicate justification for increase of funds
- Reducing funds
  - Please indicate reason for reduction of funds
  - Line 1 reduced by \$5,000 to read \$10,000.

# The Change Order

- Types of Change Orders
  - Adding funds
    - Fully funded requisition
    - Indicate the line or lines you are adding funds to and the amounts on each line:  
“Adding \$5,000 to line 1 to increase it from \$25,000 to \$30,000”
  - Liquidations
    - Check to ensure all invoices have been paid
    - Indicate PO# and lines requesting liquidation or “Liquidate Entire PO”
  - Chartfield Changes
    - Submit a funded requisition for amount on each line that needs to move to new CFS
    - Indicate line(s) to be replaced
    - Old CFS lines must be liquidated, and new lines created with the new funding line
    - Do not need a line requesting liquidation of old CFS lines
  - Adding Lines
  - Reduction of funds or quantities

# Supporting Documentation



# Waiver of Competition

- Are you using the latest form? <https://finance.unc.edu/wp-content/uploads/sites/298/2021/07/1232-1-1f.pdf>
- Brand Specific vs Sole Source – What's the difference?
- Section 1 of the form – Choose your reason(s)

## 1232.1.1f – Customer Request for a Brand/Vendor-Specific Waiver of Competition

(See [1232](#) – University of North Carolina at Chapel Hill Policy on Sole Source or Brand-Specific Purchases).

This request is a (please choose one): ☐ Brand Specific or a ☐ Sole Source Request

**I. Please check the appropriate justification(s) below for a waiver of competition, pursuant to the North Carolina Administrative Code ([01 NCAC 05B 1401](#)):**

- ☐ 1. Where performance or price competition is not available.
- ☐ 2. Where a needed product or service is available from only one source of supply.
- ☐ 3. Where emergency action is needed.
- ☐ 4. Where competition has been solicited but no satisfactory offers are received.
- ☐ 5. Where standardization or compatibility is the overriding consideration.
- ☐ 6. Where a donation predicates the source of supply.
- ☐ 7. Where personal or particular professional services are required.
- ☐ 8. Where a particular medical product or service, or prosthetic appliance is needed.
- ☐ 9. Where a product or service is needed for the blind or severely disabled and there are overriding considerations for its use.
- ☐ 10. Where additional products or services are needed to complete an ongoing job or task.
- ☐ 11. Where products are bought for “over the counter” resale.
- ☐ 12. Where a particular product or service is desired for educational, training, experimental, developmental or research work.
- ☐ 13. Where equipment is already installed, connected and in service, and it is determined advantageous to purchase it.
- ☐ 14. Where items are subject to rapid price fluctuation or immediate acceptance.
- ☐ 15. Where there is evidence of resale, price maintenance or other control of prices, lawful or unlawful, or collusion on the part of companies, which thwarts normal competitive procedures.
- ☐ 16. Where the amount of the purchase is too small to justify soliciting competition or where a purchase is being made and a satisfactory price is available from a previous contract.
- ☐ 17. Where the requirement is for an authorized cooperative project with another governmental unit(s) or a charitable non-profit organization.
- ☐ 18. Where a used item(s) is available on short notice and subject to prior sale.

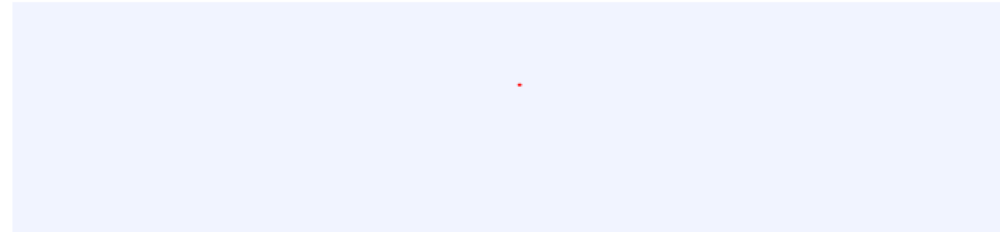
# Waiver of Competition (cont)

- Section II – What color green are you using?

II. Funding Source: ☒ State ☐ Trust ☐ Contracts & Grants ☐ F&A

- Section III – Why is this the Only Product or Supplier Capable of meeting your need?
  - Comments Block has 1000 character limit
  - If you need more room, just say “See attachment” and attach separate document.

III. Customer's Statement (please elaborate on your justification(s) designated above by giving specific details:



# Waiver of Competition (cont)

- Section IV – Conflict of Interest

## IV. Conflict of Interest Certification:

I certify that I am requesting end user (must be Principle Investigator for Contract & Grant funding sources) and that this requested procurement does not violate [1211- University of North Carolina at Chapel Hill Policy on Avoiding Vendor Conflicts of Interest](#).

- ☐ I (or spouse or partner) have no financial interests or relationships (such as board or volunteer positions, etc.) and do not have specific knowledge of any University Employee having financial interests with the proposed vendor or
- ☐ I (or spouse or partner) have an interest or relationship with the proposed vendor which has been reviewed through the applicable COI process (approval attached).

- Signature Block

- Not Signed or Dated = Not Valid
- Signature should be the individual attesting to no conflict of interest (PI, unit rep requiring the goods or services, business officer, etc.)

Customer's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*Print out completed form and sign; of if using Adobe Pro, Choose Fill & Sign Tool at Right, a signature option will appear at the top of the page. Select signature and drag and drop on the signature line.*

# Other Documentation

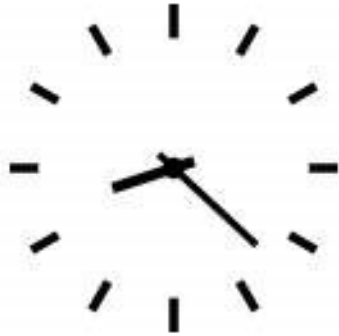
- Data Protection Checklist (<https://safecomputing.unc.edu>)
  - Used for the procurement of goods and services that could potentially put sensitive data at risk.
  - Includes Information Security and Digital Accessibility.
- Business Associate Agreements
- Confidentiality (CDA) and Non-Disclosure (NDA) Agreements
- Supplier Quotes
- Supplier documents requiring review and signature
- Trade-In Documentation - [Policy 602.2 for Trade In](#)

# Contract Reviews

- Do you have signature authority for contracts? – Chances are No!
- All contracts for goods or services requiring signature need to be submitted to purchasing via a requisition regardless of \$\$\$.
  - Contracts < Small Purchasing Threshold will be reviewed, signed, and returned with instructions on proper payment method.
  - Supplier Name “Contract Review Only” for small dollar contracts ( $\leq$ \$5K) so the supplier does not need to be added to the system.

# Misuse of Funds

- [Policy 1227 - Unauthorized Purchases](#)
- Departments do not have the authority to enter into any contractual agreements with vendors.
- Contracting for goods or services without requisitioning through purchasing services in excess of \$5K is considered a mis-use of funds regardless of the fund source.
- Departments requesting Purchase Orders for payment of invoices are required to submit a Misuse letter with the requisition and invoice.
  - Why procedures were not followed?
  - Why is it in the best interest of the state to pay the bill?
  - What mitigating steps are being implemented to prevent future occurrences?



Q & A time



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