

The Procurement Process

University [purchasing policies](#) have been developed consistent with state law to ensure a fair, efficient and competitive purchasing process. The purchasing policies must be followed regardless of fund source. This page provides a step-by-step guide to successfully following the purchasing policies for all University purchases.

- Step 1. Determine what you need to purchase. The purchase of [certain goods and services](#) have additional requirements as well as those listed below. In addition, the purchase of [facility planning, design and construction](#) follows a different process.

- Step 2. Contact [Purchasing Services](#) to determine whether an existing University contract, state contract or cooperative purchasing group contract exists under which the purchase can be made. If so, the competitive selection process is considered satisfied and the next step is the contract review process. Follow the [guidance for Contracting at CSU](#). Contact the Office of General Counsel with any contract-related questions.

- Step 3. Determine how much the purchase will cost.

- Step 4. Based on the value, determine the process that must be used.
 - a. If the purchase will cost \$2,500 or less, it is exempt from the competitive selection process. You can go straight to Step 5.
 - b. If you are purchasing goods valued between \$2,501 and \$24,999, obtain at least three (3) quotes.
 - c. If you are purchasing services valued between \$2,501 and \$49,999, obtain at least three (3) quotes.
 - d. If you are purchasing goods valued at \$25,000 or more, consult with Purchasing Services about conducting an Invitation to Bid process ("ITB").
 - e. If you are purchasing services valued at \$50,000 or more, consult with Purchasing Services about conducting a Request for Proposals process ("RFP").
 - f. There are exemptions from the competitive selection process. Contact Purchasing Services prior to making a purchase if you believe that there is only one supplier for the product (sole source) or if it is an emergency. Purchasing Services will guide you on following the waiver process for purchases at or above the bid threshold.
 - g. Do not artificially break up purchases in order to come under a competitive purchasing threshold. For example, if you will use one

vendor's services periodically throughout the year, determine the total value for the fiscal year and use the appropriate purchasing process.

- Step 5. Submit your preferred vendor request to Purchasing Services. Depending on the competitive selection process used, you will submit your quotes / bids / proposals through MagnusMart to Purchasing Services for approval. If Purchasing Services approves your preferred vendor, a Purchase Order ("PO") will be generated and sent to the vendor. **Do not confirm any purchase with a vendor until it has been approved by Purchasing Services. Goods / services may not be received by the University until the vendor has received a P.O.**
- Step 6. Once the purchase has been approved by Purchasing Services, the procurement process is complete.
- Step 7. For purchases resulting from an ITB procurement process, the ITB together with the winning bid are the contract. For purchases resulting from a RFP procurement process, the RFP together with the winning proposal, and the University's Services Agreement Template is the contract. For purchases of services, the [University's Services Agreement Template](#) is preferred in all cases. If a contract other than the University's template is to be used or if any changes are made to the terms of the University's Services Agreement Template, the [Office of General Counsel](#) must approve the contract as to legal form before it is signed by the [authorized University signatory](#).
- Step 8. Receive your goods / services and create a receipt in MagnusMart.
- Once you have received your goods / services, create an invoice for payment through MagnusMart.

Guidance for Making Purchases using Existing Contracts

Purchasing goods or services through an existing contract may simplify the purchasing process, because the competitive selection is considered satisfied. There are three types of existing contracts that may be used:

[State Contracts](#) – those entered into by the State of Ohio for the benefit of all state agencies and institutions.

[Cooperative Price Agreements](#) – contracts entered into by the Inter-University Council (“IUC”) Purchasing Group or other cooperative purchasing organizations on behalf of Ohio’s public colleges and universities.

Existing CSU Contracts – those entered into by Purchasing Services on behalf of the University as a whole.

Purchasing Services can help you determine whether there is an existing State Contract, Cooperative Price Agreement, or Existing CSU Contract that includes products or services that meet your needs. You may also search the [state contract](#) website and the [IUC Purchasing Group](#) website.

Cite the Existing CSU Contract or State Contract number when creating the purchase requisition in MagnusMart. Do not sign any other contract, statement of work, terms of sale, terms and conditions, etc., even if asked to do so by the vendor and contact Purchasing Services as any such additional contract, statement or work, etc. must be reviewed as to legal form by the Office of General Counsel. If Purchasing Services determines that an IUC Price Agreement is available, Purchasing Services will forward the IUC Price Agreement to the Office of General Counsel for review as to legal form and will inform the CSU Office/Department when such review is completed and may be uploaded into MagnusMart along with the Requisition.

Guidance on Obtaining a Quote for Goods

Any purchase of goods valued between \$2,501 and \$24,999 must be done competitively by obtaining at least three quotes unless:

- The purchase is made using an existing contract [hyperlink to guidance on using an existing contract]
- Fewer than three vendors responded to your request for quotes.

The process to obtain quotes is as follows:

1. Contact at least three vendors with a list of items needed. This contact may be made by email or by phone, but the vendors must respond in writing. If you do not know of three vendors, contact Purchasing Services who can research vendors for you.

At least one [MBE](#) or [EDGE](#) certified vendor should be included where possible. Purchasing Services can assist in identifying MBE and EDGE certified vendors.

2. Request a quote in writing. The written quote may be an email response. A **screen shot of a vendor's pricing from its website is not acceptable** – vendors may give preferential pricing to CSU.
3. Once three quotes are obtained, select the "[lowest responsive vendor](#)." The lowest responsive vendor is the one that will provide the requested goods at the lowest price. A vendor other than the lowest responsive vendor may be selected only when it is in the best interest of the University to do so, as determined by a Vice President, Senior Vice President, or the President.
4. Upload all three quotes into MagnusMart when creating a Requisition. The winning quote should be uploaded as an "external document" and will be sent to the vendor with the PO. The other two quotes should be uploaded as "internal documents" to demonstrate to Purchasing Services that a competitive selection process was followed. If a vendor other than the lowest responsive vendor has been selected, upload the justification for the selection, signed by the appropriate Vice President, Senior Vice President, or the President, as an "internal document."
5. If fewer than three quotes are obtained, upload the justification as an "internal document." The justification may be an existing contract or a statement that quotes were sought from three or more vendors, but fewer than three chose to provide a quote.

Guidance on Obtaining a Quote for Services

Any purchase of services valued between \$2,501 and \$49,999 must be done competitively by obtaining at least three quotes unless:

- The purchase is made using an existing contract [hyperlink to guidance on using an existing contract]
- Fewer than three vendors responded to your request for quotes.

The process to obtain quotes is as follows:

1. Contact at least three vendors with a description of the scope of work for the services needed. This contact may be made by email or by phone, but the vendors must respond in writing.

At least one [MBE](#) or [EDGE](#) certified vendor should be included where possible. Purchasing Services can assist in identifying MBE and EDGE certified vendors.

2. Request a quote in writing. The written quote may be an email response. **A screen shot of a vendor's pricing from its website is not acceptable** – vendors may give preferential pricing to CSU.
3. Once three quotes are obtained, select the vendor who provides the “most advantageous” quote. The most advantageous quote may not be the least expensive quote, but cost should be a consideration in determining which quote is most advantageous. If the lowest cost vendor is not selected, prepare a written justification as to why the selected vendor was superior to any lower cost vendors.
4. Upload all three quotes into MagnusMart when creating a Requisition. Upload the winning quote as an “external document”, which will be sent to the vendor with the PO after it is approved by Purchasing Services. Upload the other two quotes as “internal documents” to demonstrate to Purchasing Services that a competitive selection process was followed. If a vendor other than the lowest responsive vendor has been selected, upload the justification for the selection, signed by the appropriate Vice President, Senior Vice President, or the President, as an “internal document.”
5. If fewer than three quotes are obtained, upload the justification as an “internal document.” The justification may be an existing contract or a statement that quotes were sought from three or more vendors, but fewer than three chose to provide a quote.

Guidance on Obtaining a Waiver of Competitive Procurement

When the cost of the purchase is above the [Bid threshold](#), there are only two circumstances in which a competitive procurement process may be waived:

- The purchase is an [emergency procurement](#); or
- The purchase is a [sole source procurement](#).

Emergency Procurement

An emergency procurement is authorized when it is necessary to correct or prevent an emergency health, environmental or safety hazard and/or enable the emergency repair or replacement of existing equipment essential for daily operations.

In order to obtain approval for an emergency procurement, complete the [Purchasing Services Waiver of Competitive Bidding Form and Emergency Procurement Authorization Form](#) and obtain the appropriate signatures.

In addition to obtaining approval from Purchasing Services, approval of an emergency procurement must also be obtained from one of the following, based on the area affected:

- Director of Facilities Management
- Director of Public Safety
- Director of Environmental, Health & Safety
- Associate Director of Purchasing Services

For purchases of \$50,000 or more, the controller or designee must also approve the purchase.

Once all signatures are obtained, upload the waiver form as an internal document in MagnusMart when processing the purchase requisition.

Sole Source Procurement

Sole source procurement is only permitted in the unusual or infrequent circumstance in which there is only one appropriate supplier. This is usually because of the technology involved, or when the good is proprietary or unique in nature. **Convenience, knowledge of CSU, status as a current supplier, or preference for a brand name are not adequate justifications to obtain a sole source waiver. Claims by the purchaser that a specific product is considered a sole source are not sufficient for a sole source purchase as the bid process will either serve to confirm the finding or uncover alternative solutions.** If there are several sources that provide a similar product, the purchase must be made on a competitive basis. Services are considered sole source purchases only under the rarest of circumstances and requests are subject to additional scrutiny by the Office of General Counsel.

In order to obtain a waiver to allow a sole source procurement, you must contact Purchasing Services prior to contacting the vendor to discuss whether a sole source procurement is justified. A compelling sole source request makes a clear and convincing link between the purchase requirements and why the sole source is the only vendor capable of meeting those requirements. Examples of the primary, acceptable justifications for sole source purchases are:

Compatibility with existing equipment: This justification may be acceptable if the products or services are being purchased to directly interface with or attach to equipment of the same manufacturer, and no other manufacturer's products will correctly interface with existing equipment.

Compatibility for instructional purposes: This justification may be appropriate if the products are being purchased to supplement existing equipment in a classroom. The product to be purchased must exactly match the existing equipment in order to provide uniformity for instructional purposes.

Compatibility for research: This justification may be acceptable if the main purpose for acquiring the equipment or supplies is to replicate specific experiments, using the exact products that produced the original results. This justification may also be acceptable if the purchaser is collaborating with another researcher and can show that identical products are required to fulfill the purchaser's part of the research.

Only one supplier can be identified to supply a compliant product or service: In rare cases, only one supplier may exist to provide a particular product or service. When providing a justification based on the availability of one supplier, the product or service must be defined in generic terms. **Specifying patented products or processes, or brands when not necessary to meet functional requirements, is not acceptable as a sole source justification.** Instead, provide information regarding attempts to locate other suppliers, such as letters, informal quotations, or telephone contacts. **A sole source letter from the vendor is not acceptable as the primary justification for a sole source waiver but may be used as additional information.**

In order to obtain approval for a sole source procurement, complete the [Purchasing Services Waiver of Competitive Bidding Form and Emergency Procurement Authorization Form](#) and obtain the appropriate signatures. Once all necessary signatures are obtained, upload the waiver form as an internal document in MagnusMart when processing the purchase requisition.

Guidance on the Invitation to Bid (“ITB”) Process

The ITB process is used to procure goods and supplies (and rarely services) with an estimated purchase price of \$25,000 or more. How long an ITB process takes largely depends on the how long it takes the purchaser to prepare the ITB and to review the bids after they are received. There is a minimum of 15 days posting time, so it is recommended that at least thirty (30) days be allotted for the ITB process.

A. Preparing the ITB (approximately 1-2 weeks)

1. Consult with Purchasing Services before issuing an ITB. Purchasing Services is familiar with the various contracts, price practices, discount levels of various vendors, and can determine if there is an existing contract that can be utilized. Purchasing Services can also provide advice on whether a pre-bid conference would be useful.
2. If Purchasing Services determines that an ITB needs to be issued, Purchasing Services will email the current ITB template to the user department. The ITB template consists of: the ITB cover page, the ITB Schedule of Events, ITB Instructions and Information, Terms & Conditions applicable to any resulting purchase, Bidder Required Submittals and Signature page, Bidder Certification page, Bidder Contact Information page, Bidder References page, ITB Specifications page, and Bidder Compliance with ORC 3345.10 (for printing services.)
3. The user department must add the following to the ITB template:
 - a. summary of goods to be purchased;
 - b. preferred date and time of ITB opening (must be a minimum of 15 days from the date the ITB is posted);
 - c. date and time of pre-bid meeting (if applicable);
 - d. date questions are due;
 - e. specifications of the goods or supplies being solicited. This is one of the most important parts of the ITB. Specifications specify the characteristics of the goods or supplies the University seeks to purchase; specifications should not consist of a model or part number from a specific manufacturer except in cases where the University requires an item for repair of existing equipment.
 - f. any additional terms and conditions specific to the goods to be purchased.
4. The user department sends the completed ITB to Purchasing Services via email along with a list of vendors to be sent the ITB, including MBE vendors where possible.
5. Purchasing Services will review the ITB for completeness and accuracy and will approve the dates listed in the ITB.
6. Purchasing Services will number the ITB (the next consecutive ITB number) followed by the initials of the purchasing agent.
7. Purchasing Services will prepare the ITB to be mailed via US mail to the list of vendors provided by the user department and to any additional vendors recommended by Purchasing Services. Purchasing Services will also post the first page of the ITB to the Purchasing Services website and display the first page of the ITB on the bulletin board located directly outside of the Purchasing Services office.

B. After the ITB is posted (approximately 15-20 days)

1. Purchasing Services will receive and accept questions from bidders via fax until the date and time listed in the ITB under “ITB Questions Due”.
2. Purchasing Services will date/time stamp and forward all questions received by the due date and time listed in the ITB to the user department for answering.
3. The user department should provide to Purchasing Services answers to all questions as follows: list the question and then the answer; do not list any vendor name.
4. Purchasing Services will create an addendum containing the answers provided by the user department to all questions asked within the allotted time frame and will post the addendum on the Purchasing Services website within 48 hours.
5. If applicable, the user department and Purchasing Services will hold a pre-bid meeting. Purchasing Services will provide a vendor sign-in sheet, which will be kept in Purchasing Services’ file.
6. Sealed bids will be accepted and date/time stamped by Purchasing Services until the ITB due date/time.
7. At the ITB due date/time, Purchasing Services will open all sealed bids received by the ITB due date/time and prepare a bid response sheet by vendor name. The bid opening is open to the public.
8. For each bid received, Purchasing Services will retain one original and provide copies to the user department for review.
9. Purchasing Services and the user department will each review the bids, determine the lowest responsive and responsible bidder, and confer as to which vendor is the lowest responsive and responsible bidder. A final decision as to which vendor is the lowest responsive and responsible bidder will be made by Purchasing Services. If an apparent low bidder is to be rejected based on a nonresponsive bid or initial determination that the bidder is not responsible, Purchasing Services will contact the Office of General Counsel before finalizing any decision or action to reject the bid as there may be legal ramifications regarding such actions. Purchasing Services shall complete a bid tabulation sheet and provide an electronic copy to the user department.
10. All bids will be kept by Purchasing Services in the purchasing file.
11. The user department will create a requisition in Magnus Mart, uploading the bid tabulation sheet as an internal document, the winning bid as an external document, and adding the ITB number to the PO, which will be generated by Magnus Mart.
12. The ITB together with the winning bid become the contract and are attached by the user department to the PO in Magnus Mart.

Guidance on the Request for Proposals (“RFP”) Process

The RFP process is used to procure professional services with an estimated purchase price of \$50,000 or more. How long an RFP process takes largely depends upon how long it takes the user department to prepare the RFP, the length of time to review the proposals received, plus a minimum of 15 days posting time. It is recommended that at least 60 days be allotted for the RFP process.

A. Preparing the RFP

1. Consult with Purchasing Services before issuing an RFP. Purchasing Services is familiar with the various contracts, price practices, and discount levels of various vendors.
2. If Purchasing Services determines that an RFP needs to be issued, Purchasing Services will email the current RFP template to the user department. The RFP template consists of: the RFP cover page, the RFP Schedule of Events, RFP Instructions and Information, Required Submittals and Signature Page, Proposer Certification page, Proposer Contact Information page, Proposer References pages, background information and project overview, scope of services, specifications, and deliverables sought, information about the contract award, and the RFP selection criteria.
3. The user department must add the following to the RFP template:
 - a. summary of services to be purchased;
 - b. preferred date and time of opening (must be a minimum of 15 days from the date the RFP is posted);
 - c. date and time of pre-proposal meeting (if applicable); Purchasing Services will advise the user department if it recommends a pre-proposal conference, such as if services/work will be performed on campus;
 - d. date questions are due;
 - e. date of proposer presentations (if applicable);
 - f. background information/project overview;
 - g. scope of work, specifications, deliverables;
 - h. term of the resulting contract; and,
 - i. selection criteria/scorecard
4. The user department sends the completed RFP to Purchasing Services via email along with a list of vendors to be sent the RFP, including MBE vendors where possible.
5. Purchasing Services will review the RFP for completeness and accuracy, approve the dates listed in the RFP, and number the RFP (the next consecutive RFP number) followed by the initials of the purchasing agent.
6. Purchasing Services will prepare the RFP to be mailed via US mail to the list of vendors provided by the user department and to any additional vendors recommended by Purchasing Services. Purchasing Services will also post the first page of the RFP to the Purchasing Services website and display the first page of the RFP on the bulletin board located directly outside of the Purchasing Services office.

B. After the RFP is posted

1. Purchasing Services will receive and accept questions from proposers via fax until the date and time listed in the RFP.
2. Purchasing Services will date/time stamp and forward all questions received by the due date and time listed in the RFP to the user department for answering. Purchasing Services will establish a due date for the user department's response.
3. The user department should provide to Purchasing Services answers to all questions as follows: list the question and then the answer; do not list any vendor name.
4. Purchasing Services will create an addendum containing the answers provided by the user department to all questions asked within the allotted time frame and will post the addendum on the Purchasing Services website.
5. If applicable, the user department and Purchasing Services will hold a pre-proposal meeting. Purchasing Services will provide a proposer sign in sheet, which will be kept in Purchasing Services' file.
6. Sealed proposals will be accepted and date/time stamped by Purchasing Services until the RFP due date/time.
7. At the RFP due date/time, Purchasing Services will open all sealed proposals received by the RFP due date/time and prepare a preliminary RFP response sheet by vendor name. The proposal opening is open to the public.
8. For each proposal received, Purchasing Services will retain one original and provide copies to the user department for review.
9. A review committee consisting of a minimum of 3 people will review each proposal.
10. If the RFP requires proposer presentations, the review committee and the user department will schedule and conduct the proposer presentations.
11. Each member of the review committee will individually complete a scorecard for each proposal and the committee chair will collect and send all scorecards to Purchasing Services along with the review committee's written explanation of the recommendation for award. Proposals are judged using the criteria listed in the RFP. The proposal receiving the highest score is the one judged to best serve the interests of the University.
12. Purchasing Services will review the proposals and the review committee's written explanation and recommendation, and inform the user department accordingly.
13. Purchasing Services may contact the review committee to seek additional information regarding the review committee's recommendation for award.
14. Purchasing Services will contact the Office of General Counsel before finalizing any decision or action if the recommended proposal contains any exceptions.
15. Once Purchasing Services approves the review committee's recommendation, the user department will create a requisition in Magnus Mart, attach the review committee's recommendation as an internal document, and the winning proposal as an external document. The user department shall add the RFP number to the purchase order that will be generated by Magnus Mart.
16. The RFP together with the winning proposal and any negotiated terms become the contract and are attached by the user department to the purchase order in Magnus Mart.

If any terms of the Service Agreement Template are revised, the Office of General Counsel must approve as to legal form the changes before the contract is finalized and entered into Magnus Mart.