

# PROCUREMENT 101 TRAINING

FOR THE CSU STANISLAUS COMMUNITY



***Presented by:***  
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***Procurement & Contracts Manager***

***Procurement & Contract Services***

***11/22/2019***

# PROCURE-TO-PAY OVERVIEW

## Procure to Pay Process

### Requisition



Employees request what they are looking for.

### Approvals



Authorization of the spend as your corporate policy.

### Purchase Order



Purchase order generated and sent to the supplier.

### Receipt



The order is shipped by the supplier and received by your organization.

### Invoice



Invoice received and reconciled, 2-way or 3-way match. Invoice is ready to be paid.

### Payment



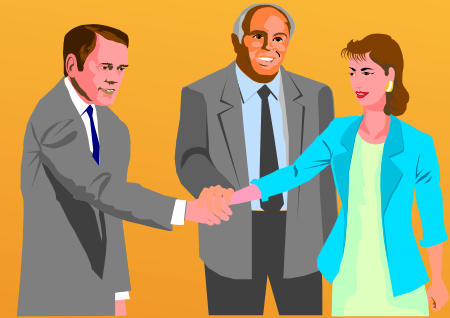
Payment issued to the supplier.

# PROCURE-TO-PAY OVERVIEW (con't.)



# PROCUREMENT & CONTRACT SERVICES

- Procurement of Goods and Services
- Strategic Sourcing
  - Conduit for system-wide agreements
  - Author campus-wide agreements
- Business Contracts
  - Negotiation
  - Execution
- Card Programs
  - P-Card
  - Event Card
  - Etc.



# GOALS

- Maximize University Spend  
(best overall value)  
FY1819 = \$112,687,869
- Minimize University Liability
- Satisfy End-User Requirements in compliance with  
CSU policies, laws, regulations, etc.
- Deliver Excellent Customer Service
- Provide Continuous Improvement in  
Cost, Quality, & Service



# DELEGATED AUTHORITY TO CONTRACT\*

- Dr. Ellen Junn, President
- Mary Stephens, Interim Vice President of Business & Finance
- Regan Linderman, AVP of Financial & Support Services
- **Karen Meade, CPSM, C.P.M., Procurement & Contracts Manager**
- **Debbie DaRosa, Buyer III Lead**
- **Phyllis Crittendon, Buyer III**
- **David Sawyer, Buyer III**
- **Julie Anderson, Buyer III**
- **Becky Snead, Buyer II**
- **Rhonda Willson, Buyer II**



*\* Note: Procurement & Contract Services staff are bolded in white as purchasing and contracting on behalf of the University is the department's primary function.*

# PROCUREMENT PROCESS



## ■ Delegated Authority

- Department PCard Cardholders (low-value, low-risk orders w/ certain restrictions)
- Procurement & Contract Services (all other purchase/contract authority)

## ■ Department Documentation for Goods and Services

- Proposals /Quotes
- Sole Source Justification (s/b rare)
- Budgetary Approvals
- Special Approvals

## ■ Requisition Review

- Product/Service Needs of Campus Customer
- Funding Source (Sufficient Funding; State, Federal, Contract, Grant or Gift Restrictions, Etc.)
- Policy Compliance (Competitive Bid Requirements, Existing Agreements, Onboarding New Vendors, Certificates of Insurance, Conflicts of Interest, etc.)



# WHAT WE BUY/CONTRACT

- Construction/remodels of campus buildings (e.g., Student Center, MSR, Naraghi Hall, Library, etc.)
- Solar array
- Furniture
- Scientific/lab equipment
- Office equipment and supplies
- Dining services and pouring rights
- IT Hardware (e.g., servers, computers and peripherals)
- Software
- Transportation services
- And much, much more!





# SOURCING CONSIDERATIONS

## ■ Services

- Independent Contractors (insurance, conflicts of interest, etc.)
- Indemnification
- Limitations of Liability
- Certificates of Insurance

## ■ Source Selection

- Competitive Quote/Bid (min. requirements)
  - \$10,000 or more – if using Federal Funds, requires maximum competition
  - \$50,000 - \$100,000 - CSU Policy requires Informal Bids;  
\$50,000 - \$500,000 for Information Technology Resources [ITR]
  - \$100,000 or more Bids– CSU Policy requires Formal Bids  
\$500,000 or more for ITR
    - RFI (Request for Information)
    - RFQ (Request for Quotations or Qualifications)
    - RFP (Request for Proposals)

*Note: Bidding thresholds do not preclude P&CS from bidding lower levels if thought prudent to seek competition as this is part of our fiduciary duties.*

## ■ Sole Source

- Justification should focus on specific application rather than cost or personal preference

# SOURCING CONSIDERATIONS (con't.)

- Negotiation and Informal Bids
  - Limitations of Liability
  - Certificates of Insurance
  - In general, 2-16 weeks to order placement, depending on complexity
- Formal Bids
  - 2-20 weeks to contract award
  - Early involvement is key
- Emergency Requirements
  - Immediate turnaround



# SOURCING CONSIDERATIONS (con't.)

## ■ Conflict of Interest

- Political Reform Act
- Public Contract Code - SB1467
  - Follow-on Contracts
  - Employees as Independent Contractors
  - Former Employees and Contracting Limitations



# PURCHASE REQUISITIONS

## ■ Purchase Requisitions

- Are submitted online by a department requisitioner via PeopleSoft CFS
- Provides Procurement & Contract Services the department's approval to commit funds
- Should be submitted with back-up information (e.g., quotes, proposals, scope of work, Vendor 204 Form for new vendor requests, etc.) attached in PeopleSoft



# **PURCHASE REQUISITIONS** (con't.)

- Specifications for Goods - should be complete, and include but not be limited to the following, as applicable:
  - Detailed description of goods
  - Model number or equal, if needed
  - Installation
  - Training
  - Services
  - Date desired & date required

# ***PURCHASE REQUISITIONS/ORDERS***

- Regular Purchase Orders
  - One-time purchases
- Blanket Orders
  - Long-term contracts
  - Repetitiously purchased goods/services
  - Departments issue releases against
  - As-needed basis
  - Higher release limits
  - Fixed pricing, terms, and conditions
  - Department specific or Campus-wide





# COMPETITIVE BIDS

- Competitive bids are awarded using one of 2 methods:
  - Lowest cost (used for Request for Quotes/Bids)
  - Best Value (used for Request for Proposals)



# UNAUTHORIZED PURCHASES/AGREEMENTS

- Purchase and non-purchase transactions/agreements that are entered into by on behalf of the University by an individual that is not duly authorized to contract for the University.
- Purchase and non-purchase transactions/agreements that are entered into on behalf of the University by a person who is authorized to contract but who exceeds their delegated authority or uses an unauthorized procurement method.
- Unauthorized Purchase Form – must be completed and submitted to P&CS. The Form is intended to help educate people regarding the process and is not meant to be punitive; however, violations of policy will be logged and reported for transparency purposes.



# COMPLETING THE PROCESS

- Order Justification\*
  - Vendor Selection
  - Price Reasonableness
- Reporting Requirements
  - Small Business/Disabled Veteran Business Enterprise (SB/DVBE)
  - Public Records Act (PRA) / Transparency
  - Benefit (Cost Savings/Avoidance)
  - Sustainability
    - Buy Recycled Program and AASHE STARS Report
  - Special Requirements



***\* Due to our specific role/function in the University, procurement and contract professionals are held to a higher standard than other campus constituents. Additionally, Procurement still has an obligation regarding Unauthorized (After-The-Fact) Purchases.***

# ***WE ARE HERE TO ASSIST YOU WITH...***

- Acquisition of Goods and Services (regardless of whether there is a cost or no cost to obtain)
- Agreements/Contracts (wide variety, e.g., Facilities, Construction, IT including software/cloud, Revenue, Internships, Facility Use, MOUs, Sponsorships, etc.)
- Assessing the Best Procurement Method
- Contract Negotiations
- Cost Savings/Avoidance and Revenue Opportunities
- Market Research / Locating Sources of Supply
- Product/Pricing Information
- Specification Development
- Sole Source Documentation
- Policy/Procedure Guidance



# ***WE ARE HERE TO ASSIST YOU WITH...*** (con't.)

- Supplier Collaboration
- Problem Resolution/Creative Solutions
- Suggesting Alternatives
- Discussing Legal Considerations
- Handling Informal and Formal Bids
- Emergency Support
- Supplier Pre-Qualification
- Contract Negotiations
- Assistance in Sole Source Documentation
- Facilitating Emergency Requirements
- Problem Resolution

# RESOURCES

## ■ Stan State "Buying & Paying" Home Page:

<https://www.csustan.edu/financial-support-services-gateway/staff-faculty/buying-paying-overview>

Buying & Paying Overview | C... X

https://www.csustan.edu/financial-support-services-ga...

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STUDENTS PARENTS FACULTY/STAFF ALUMNI DONORS COMMUNITY

A-Z Directory | Maps | Library | Stockton Campus | Blackboard | myStanState

**S** Stanislaus State

About Academics Admissions Athletics Campus Life Giving

Financial & Support Services Gateway > Staff & Faculty > Buying & Paying Overview

**Business & Finance**

Staff & Faculty

Students & Parents

Suppliers & Visitors

Audit Services >

Budget Services >

Capital Planning & Facilities Management >

Information Technology >

Safety & Risk Management >

University Police Department >

**STAPLES**

Business Advantage

Division for Business & Finance Organizational Chart

Administrative Office  
Stanislaus State

### Buying & Paying Overview

**Overview | How to | Policies | Resources | Forms | Training | Contacts**

Information provided here applies to all University entities, departments, and funds. The Procurement & Contract Services department is the central purchasing authority for Stanislaus State. The Procurement staff members are identified as Buyers and/or Contract Specialists. The Accounts Payable department is responsible for all payments, excluding payroll. The Accounts Payable staff members are identified as AP technicians

> Purchasing Products and Services

- Campus Marketplace
- Procurement Card (PCard)
- Requisitions (PeopleSoft)
- Authority to Access PeopleSoft System
- Staples
- Bid Requirements & Procedures
- Disabled Veteran & Small Business
- Sole Source/Brand
- Hospitality Requirements
- Procurement Matrix

> Paying Vendors

- Vendor Authorization
- Check Runs
- Direct Pay Request
- Payment Matrix

> Delegated Authority for Financial Transactions

> Signatures Required for Financial Transactions



# RESOURCES *(con't.)*

- Overarching CSU Procurement/Contract Policies:

- CSU ICSUAM 5000 – Contracts and Procurement

- <http://www.calstate.edu/icsuam/documents/Section5000.pdf>

- Stan State Buying and Paying Policies Page:

- <https://www.csustan.edu/financial-support-services-gateway/staff-faculty/buying-paying-policies>

- Signature Policy:

- <https://sharepoint.csustan.edu/sites/policies/business-and-finance/FinancialServices/Policies/Signature%20Policy%20for%20Financial%20Transactions.pdf>

# RESOURCES *(con't.)*

We strive to provide excellent service to you, our campus customers. By effectively working together, we are able to maximize University value and minimize University risk in the procurement of your campus requirements.



# FUTURE FOCUS



- Simplify and Streamline Processes
- Increase Number of Strategic Contracts
- Enhance Communication
- Identify and Address Additional Training Needs
- Continue to Maximize Value, Minimize University Risk and Support Campus Programmatic Requirements



# ***HOW ELSE CAN WE SUPPORT YOU?***



# QUESTIONS?



# THANK YOU!



**NEXT UP . . .**  
**SHIPPING/RECEIVING AND**  
**PROPERTY MANAGEMENT**