ABC 2015 Fall Summit

Procurement Overview

Contracts & Procurement

https://afd.calpoly.edu/cprm/procurement.asp

September 9, 2015
Agenda

- Contracts & Procurement Responsibility and Role to University
- Strategic Sourcing
- Purchasing Methods/Guidelines
Contracts & Procurement

- Responsible for buying goods and services on behalf of the University
- Includes – planning, development of specifications, market research, value analysis, negotiations, and contract execution (purchase order)
- Strategic sourcing vs transaction procurement methodologies
Where Cal Poly and the CSU are going:

- Value-added
- Strategic
- Minimize administrative burden
- Proactive “partnership” model
- Collaborate with other campuses, systems and local agencies to maximize efficiency and purchasing power
Specific Acquisition

Scope of Strategic Sourcing?

The scope of strategic sourcing extends beyond supplier price negotiation and takes into account the total cost of ownership.

- Amount paid to suppliers
- Purchase Price
- Demand Drivers
- Specifications
- Procurement Practices
- Inventory Practices
- Internal Practices
- Operational Practices
- Internal Policies & Procedures
- Total acquisition cost
Objectives to Strategic Sourcing

What can you do?

- Budget and plan major purchases well in advance
- Consult with Contracts & Procurement (C&P) at the earliest stages
- Do not engage with suppliers without C&P involvement
- Request sole source only when absolutely necessary
- Consider the big picture; be patient and cooperative as we ramp up strategic sourcing effort across campus, the CSU and the state
Purchasing Methods

- **Direct Buy** - low value reimbursements for goods and off campus services under $2500.00. These should be limited, refer to Campus Marketplace for alternatives.

- **ProCard** - used for supplies and equipment. Cardholders should in order to achieve overall cost savings for administrative and processing time. [https://afd.calpoly.edu/cprm/pcard.asp](https://afd.calpoly.edu/cprm/pcard.asp)

- **Campus Marketplace** – purchase goods/services from competitively awarded contracts. 80% of goods/services on website.
  - [https://afd.calpoly.edu/cprm/emarketplace.asp](https://afd.calpoly.edu/cprm/emarketplace.asp)
  - [https://afd.calpoly.edu/cprm/procurement/campus_marketplace/](https://afd.calpoly.edu/cprm/procurement/campus_marketplace/)
Purchase request (Requisitions) and Purchase Orders

- A request to the C&P office to allocate funds for the purpose of buying a good/services.
- Not a binding agreement
- Requisitions are established in order for a purchase order (binding contract) to be issued by Procurement Specialist.
- Delegated authority by the President to the Contracts & Procurement only to issue PO’s.
Training Resources

- Purchasing Guidelines
  https://afd.calpoly.edu/cprm/forms/purchasing%20guidelines.pdf

- Requisition Training Guidelines
  https://afd.calpoly.edu/cprm/requisitions.asp

Handout – Purchasing Methods
Thank you for the opportunity to support your operations and to help advance our greater institutional goals

GO MUSTANGS

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