



Procurement Policy Title: Competitive Bid Policy
POL-PRO-P03

Official Short Title: Competitive Bid Policy

Key Points

- Establishes when competitive bids are needed
- Establishes how competitive bids may be obtained

Why do we have this policy?

To ensure that RMU receives the best cost and overall value when purchasing goods and services from external suppliers.

Where does this policy apply?

Moon Township Campus
 Bayer Center
 Island Sports Center

What does this policy say?

Establishes the guidelines for the solicitation of competitive bids from an external supplier.

Who in RMU has general obligations under this policy?

<p>The Basics</p>	<ol style="list-style-type: none"> 1. Purpose 2. Scope 	<p>All University Employees</p>
<p>Specific Requirements</p>	<ol style="list-style-type: none"> 3. Responsibilities 4. Policy 5. Communication of Issues 	<p>Responsible University Officer:</p> <p>Sr. VP Business Affairs and Treasurer</p>
<p>Glossary and Administration</p>	<ol style="list-style-type: none"> 6. Glossary 7. Administration 8. Related Policies 	<p>Contact: RMU Procurement Purchasing @rmu.edu</p>



The Basics

1. PURPOSE

This policy establishes the guidelines for the solicitation of competitive bids from an external supplier.

2. SCOPE

This policy applies to all RMU employees who engage in procurement-related activities and who are committing RMU funds to an external supplier.

Specific Requirements

3. RESPONSIBILITIES

Senior management of employees who commit RMU funds to external suppliers through purchase order or Procurement Contracts are responsible for ensuring applicable employees are aware of and comply with this policy.

4. POLICY

Robert Morris University’s commitment to getting the best value for the expenditure of funds, following best business practices, and complying with funding source requirements all create the need to conduct competitive bidding. All RMU Procurement Department employees who engage in procurement-related activities are responsible for ensuring that competitive bids are obtained for purchases not being made with a Preferred Supplier. The minimum requirements for obtaining competitive bids for purchases are as follows:

Purchases less than \$20,000	Competitive bids are not required but may be obtained at the option of the requisitioner or Procurement.
Purchases \$20,000 or more	Three or more bids are required and Procurement must conduct the bid . Contact your Purchasing Partner.

Competitive bids must be conducted when purchasing goods or services that cost \$20,000 or more regardless of the source of funds. A purchase requisition should be issued for goods and services that are competitively bid. Multiple requisitions or multiple P-card transactions may not be created to circumvent the University’s requirement to bid items \$20,000 or more.

Exceptions as stated below in Sections 4.1 to the competitive bid policy require written justification for not obtaining competitive bids, which should be signed off by the employee’s



Dean/Department Head (whichever has the higher authority for the department budget), or Vice President. . Additionally, exceptions or waivers may be made to bidding requirements based on special circumstances when authorized by the Office of the President or a member of the President's Cabinet.

4.1 NO BIDDING FOR SPECIAL PROCUREMENT ITEMS

Bidding is not required for the special procurement items listed below, even if \$20,000 and over and even if purchased through a Non-Preferred Supplier. This waiver is permitted because some specialized items are selected based on parameters difficult to bid (e.g. location, venue, or subject-matter expertise).

These purchases still require a Procurement Contract and a Purchase Order (a purchase requisition will be entered into the [Unit4 system](#)).

Special procurement items that do not require bidding include:

- Advertisements
- Event venues
- Restaurants (Large Events)
- Legal/Outside counsel

4.2 NO BIDDING WHEN PREFERRED SUPPLIER

Bidding is not necessary when purchasing through a Preferred Supplier, even if the purchase exceeds \$20,000. A Preferred Supplier is a supplier with which the University has a negotiated or bid/rate agreement that could include price discounts, simplified ordering methods, set delivery arrangements, specialized customer service requirements, and billing payment methods.

Bidding is not necessary with Preferred Suppliers because Procurement has already conducted a bid and made an award on behalf of the entire University for ongoing purchases. If the Procurement Department determines that conducting a bid is in the University's best interest, a bid may be conducted. However, if a Preferred Supplier or special item supplier already exists, the supplier will be included in the bid solicitation.

4.3 NO BIDDING WITH SINGLE/SOLE SOURCE JUSTIFICATION

Single or sole source purchases may be an acceptable alternative to competitive bidding. The Procurement Department will approve a single or sole source purchase on a case-by-case basis. Please see the *POL-PRO-04* for more information.

Guest speakers, honoraria, subscriptions, dues, memberships, and other similar items will be treated as sole source and do not require sole source justification documentation.

4.4 BIDDING GUIDELINES

RMU Procurement's primary means for soliciting competitive bids is via the ScoutRFP system.

4.5 PREFERRED CONTRACTORS AND ARCHITECTS & OTHER DESIGN SERVICE PROVIDERS

The Procurement Department, in conjunction with the Facilities Department, will maintain a list of Preferred Contractors. These preferred Contractors will be selected based upon the



Procurement Departments vendor vetting/due diligence process and will include consideration in price, quality, insurance, specification compliance, delivery terms and conditions, bidder experience, and reputation. Preferred Contractors will be awarded a 3-year to 5-year relationship with the University, dependent upon Supplier adherence to RMU standards and regulations. This list of potential Preferred Contractors will be vetted on an annual basis by the Financial Sustainability Committee of the Board of Trustees.

4.6 BIDDING THRESHOLD FOR CONSTRUCTION CONTRACTORS

When requesting the services of contractors, the Facilities Department may select a provider from the list of Preferred Contractors for services up to \$500,000. Competitive bidding may be necessary below \$500,000, dependent upon requirements from alternative funding sources. For services \$500,000 or greater, the Procurement Department in consultation with the Facilities Department must conduct a competitive bid.

5. COMMUNICATION OF ISSUES

Questions regarding this policy should be directed to the Procurement Department at purchasing@rmu.edu.

Glossary & Administration

6. GLOSSARY

Preferred Supplier: A Preferred Supplier is a supplier that is selected and qualified as such by Procurement with collaboration from the department stakeholders which complies with all of the following criteria:

- Selection via a formal Procurement led sourcing/category strategy or approach specific to the category and under which the supplier is being considered as preferred
- Has been approved and vetted using best in class quality and audit measures to ensure compliance with this and other University Policies
- Has an active, negotiated set of terms and conditions (Procurement Contract) with RMU
- Satisfies risk due diligence requirements
- Satisfies financial due diligence requirements in accordance with supplier qualification

See *POL-PRO-PO2*

Procurement Contract: See *POL-PRO-PO1*

Purchasing Partner: A member of the RMU Procurement department that has been trained to procure goods and services on behalf of the University.

Preferred Contractor: A Preferred Contractor is a Contractor (including architect, design, engineering, and general contractor) that is selected and qualified as such by the Procurement Department with collaboration from the Facilities Department stakeholders which complies with all of the following criteria:

- Has an active, negotiated set of terms and conditions (Procurement Contract and Purchase Order) with RMU
- Satisfies High-Risk supplier due diligence requirements

High-Risk Supplier:



- Suppliers with routine access to systems and data.
- Suppliers that are on-site or routinely come on site to perform various functions (including construction)
- Suppliers that transport or routinely transport students or supply transportation vehicles
- Suppliers that have contact with students
- Technology suppliers that are provided restricted access to systems and data. Such access is supervised.

7. ADMINISTRATION

Approval:	SVP Business Affairs and Treasurer
Owner:	Assistant Director of Procurement
Author:	Procurement Department
Approval Date:	May 1, 2020
Effective Date:	June 1, 2020
History:	Policy updated 2-27-2012 Policy updated 11-23-2015 Updated 10-2019 to new standalone policy, new form and language. Policy updated 2-17-2022 Policy updated 8-11-2022

8. RELATED POLICIES

POL-PRO-P01	RMU PURCHASING POLICY- BUYING GOODS AND SERVICES
POL-PRO-P02	RMU PREFERRED SUPPLIER POLICY
POL-PRO-P04	RMU SOLE SOURCE POLICY
POL-PRO-P05	SUPPLIER DIVERSITY POLICY
POL-PRO-P07	RMU SUPPLIER CODE OF ETHICS AND CONDUCT POLICY

See above policies on the RMU Procurement website: rmu.edu/purchasing