

START HERE:

Base your purchase on total contract value.
This includes the initial contract term, plus any renewals or options.

Total Contract Value of \$0-\$9,999

Department may purchase

RECOMMENDED ACTIONS:

- Shop around to get the best deal.
- When possible, use a pcard to pay for goods.
- Utilize SmartBuy MSU for state contract purchasing.

Total Contract Value of \$10,000-\$25,000

Procurement Services must purchase

Purchases may be made from state term contracts without issuing a competitive solicitation. Contact the business office to discuss.

REQUIRED ACTIONS FOR ALL OTHER PURCHASES:

Work with the business office to conduct a **Limited Solicitation** and obtain a minimum of three quotes. Quotes must include any freight charges.

If required item is only available from one supplier:

- Work with business office to submit a Sole Source Justification (SSJ) to MSU
- Obtain quote from Sole Vendor.

If brand is required but is available from multiple suppliers:

- Work with business office to submit a Sole Brand Justification to MSU
- Limited Solicitation is still required

Total Contract Value \$25,000 or more

MSU Procurement Services must purchase

REQUIRED ACTIONS:

- Work with business office to determine the appropriate solicitation method for purchase

Complete any of the following that apply:

- Statement of work, if a service
- List of potential vendors including contact information
- Required specifications
- Evaluation criteria suggestions
- Brand Name Justification when specific brand is required but multiple vendors sell the brand.
- Sole Source Justification if the required item or service is only available from one vendor.

Vendors must be notified of the scoring criteria and scoring matrix when the solicitation is sent out. Department must score bids received using these criteria and available points. MSU Procurement & Contract Services will assist with drafting and can publicly post to state procurement website.

Limited Solicitation: Vendor awarded must meet all requirements. Minimum 3 bids, limited to contract value between \$10,000 and \$99,999 only.

Invitation for Bid (IFB): Vendor awarded must meet all requirements and be lowest cost. IFB process takes at least 4 weeks so plan accordingly.

Request for Proposal (RFP): Contract will be awarded to the highest scoring offeror. Scores are a combination of scored responses to requirements, offeror qualifications and cost (at least 20% of points). RFP process takes at least 8 weeks but may take much longer depending on the complexity.

On all purchases REGARDLESS of dollar amount:

- Supervisor approval prior to purchase
- Complete a Purchase Request Form for any IT hardware or software.
- Consult with facilities for anything that may require installation or assembly
- If purchasing services from an individual, contact the business office to discuss Independent Contractor requirements.
- Do NOT sign any vendor agreements without business office review.
- If you have any questions, please contact the business office PRIOR to placing an order or making a commitment to buy.
- Remember you are spending your tax dollars, as well as your friends, relatives, and neighbors. Spend wisely!

Need Help Determining Total Contract Value? Total Contract Value = Initial Purchase Price + Any Additional Costs Associated with the Purchase, including Shipping, Trainings, Installation, and any Potential Renewal costs, or Reoccurring Fees, Etc.

TCV should include all potential costs that would be incurred for maximum potential contract term.

Maximum term is 7 years for non-IT related goods or services and 10 years for IT related goods or services.