

## Purchasing

### A Guide to the Procurement Process

#### Our Mission

- To support the academic, administrative and operational activities of the university by locating competitive sources of the quality goods and services required by the university community
- To negotiate favorable terms, conditions and pricing, and to arrange for delivery when and where needed
- To monitor supplier compliance with purchase order contracts and resolve discrepancies

#### Our Responsibilities and Objectives

The purchasing department is the on-campus department that is charged with the responsibility to:

- Obtain public bids to obtain maximum value from the expenditure of university funds in the purchase of materials and services
- Coordinate the purchase of materials and services for all functions of the university
- Provide value-added services to the university by constantly striving to find new and better products, sources of supply and better ways of meeting the needs of the departments
- Maintain liaisons with the vendors that service the university
- Develop university purchasing standards based upon value analysis, economies of scale, total acquisition costs, and budget limitations
- Assist university departments in locating substitute materials in case of emergencies, material shortages, strikes, or other external circumstances
- Protect the university against unfair or unethical trade practices and unrealistic or exorbitant price increases
- Expedite, if requested and warranted, the delivery of goods and services
- Assist in the transfer, trade or sale of surplus property
- Maintain the master bidders and commodities list and the vendor code file

#### What is Centralized Purchasing?

Centralized purchasing is a system by which the authority, responsibility and control of purchasing activities is concentrated in one administrative unit. At the university, the administrative unit that has such control is the purchasing department. As a public institution, the university is governed by the laws and regulations that pertain to purchasing in higher education as established by the commonwealth and the university's board of trustees. Centralized purchasing provides the checks and balances that are necessary to ensure that goods and services are purchased within such laws and regulations, from responsible sources and at the best possible prices.

#### University-wide Procurement Policy

We must adhere to the Commonwealth of Massachusetts's laws, rules and regulations. We must employ the required administrative and accounting controls. The university procurement policy is as follows:

- All transactions for goods and services must be processed through the purchasing department to ensure uniformity and sound business practices.
- Purchase orders must be obtained prior to incurring financial obligations,

regardless of funding sources or amount.

- We cannot request purchase order numbers after the fact, (in other words, confirm orders); they must be requested before placing the order.
- We are required to use state, Massachusetts Higher Education Consortium (MHEC), Educational & Institutional Cooperative (E&I), and university contracts for all goods and services over \$5,000. If the needed goods and services exceed \$5,000, and cannot be provided by the vendors on these contracts, then we must go through the bidding process
- Contracts must be bid, minimally, every seven years.
- State law prohibits split ordering to avoid the bidding process.
- When the end user does not select the lowest bidder, it must be clearly stated, in writing, why the lowest bidder was not selected.
- Sole source requisitions must be accompanied by a written, detailed explanation and justification.

The purchasing department has the experience and capability needed to seek out reliable and economical vendors. Purchasing's goal is to maximize value and provide convenience to the end users while complying with laws, rules and regulations.

#### **What We Can Do For You:**

We are here to provide a service. **Service is our first priority.** If in doubt, call us first and we will help you through any and all aspects of the procurement process. We:

- Buy goods and services for the campus.
- Provide information about products, prices and suppliers.
- Can expedite your orders to meet your department's needs.
- Can assist you in determining your department's needs and how they can best be met.
- Research new products and suppliers.
- Are authorized agents of the university and are empowered to sign contracts and commit university funds. We also negotiate master contracts that pool the university's buying power to obtain favorable prices and contract terms.
- Conduct competitive bidding and negotiations related to the purchase of goods and services in excess of \$5,000.
- Manage the departmental purchase order system. We also coordinate the sale and disposal of university assets.
- Recycle surplus furniture and equipment.
- Reconcile suppliers' invoices and purchase orders.
- Negotiate the resolution of disputes with suppliers.
- Place great importance on our ability to process orders in a timely fashion.
- Provide shipping and receiving services.
- Provide copy and print services.
- Provide mail services.
- Provide insurance and risk management services and information.

#### **How Departments Should Deal with Suppliers**

The university's suppliers are a valuable source of information on products and services. Although this office should be your first resource, there will be times when we recommend that you speak directly with selected supplier representatives. They can often help clarify which products or services will best meet your needs. To help you in dealing with supplier representatives, we suggest the following guidelines:

- Advise this office in advance. We can provide you with information on qualified suppliers.
- Contact more than one qualified suppliers whenever possible.
- Give the same information to all suppliers, so each has an equal opportunity to make acceptable recommendations. Never give a supplier any information on funds budgeted, or any information provided to you by a competing supplier.
- Discuss all aspects of the need. Use a life-cycle approach: What happens after the department owns it? (Consider installation, maintenance, supplies, operational skills, repair, and so on).
- Guard against overreaction to a supplier-created crisis: "The price goes up after the first of the month," "This is the last one in the stock" and so on.
- Do not appear to commit the university by telling a salesperson he or she has the order; only a signed purchase order can commit the university.
- Never accept payments or gifts from suppliers.
- Orders that result from unsolicited telephone calls should not be considered. Such items have been found to be overpriced and of poor quality.

### **Our Location**

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### **How We Are Organized**

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