

## **COMPETITIVE BID POLICY**

USD competitive bid threshold is \$10,000 and over for any purchase. Purchases at or above this threshold require quotes or bids from multiple suppliers before the purchase of the good or service (see separate contractor bid policy for construction <https://www.sandiego.edu/facilities/>). A completed Small Purchase Form can be submitted through Workday for purchases below \$10,000 that require the establishment of a Purchase Order.

Purchases \$10,000 - \$250,000 require a minimum of three informal quotes. Quotes may be obtained online, by email or through the “Request Quote” feature in the USD Marketplace. Bids and quotes obtained must be attached to requisition request in Workday to establish a Purchase Order. All purchases should represent sound business decisions and follow price reasonableness rules. The Procurement Department should be used as a resource or for guidance as needed.

Purchases that are over \$250,000 must be solicited through a formal requisition process managed by Procurement Services. Submit a detailed statement of work or specifications through Workday. Do not attach quotes or contracts.

USD’s competitive bid policy is intended to be consistent with all applicable government procurement regulations as contained in the Federal Acquisitions Register (FAR); Office of Management and Budget’s uniform administrative requirements as codified under the Code of Federal Regulations (C.F.R.) at 2 C.F.R. Part 200 (Uniform Guidance), as well as any additional regulations or procedural formalities required by the contracting agency, and any State and local government guidelines.

### SINGLE AND SOLE SOURCE PURCHASES

If there is no ability to solicit multiple bids, end users must demonstrate that the purchase is sufficiently justified as a sole source. Sole source means that a single vendor is uniquely qualified to meet the procurement objective. To be considered a sole source and therefore exempt from the bidding process, one of the following conditions must be met.

- The item is available only from a single source.
- The public emergency for the requirement will not permit a delay resulting from competitive solicitation.
- For goods or services from a sponsored funding source, the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request.
- After solicitation of a number of sources, competition is determined inadequate.
- If only one particular source to acquire items or services is available at a level of quality or performance required for scientific reasons, or within the time frame needed for research purposes.

Single or Sole Source purchases should be the exception, and very rare. A completed Sole Source Justification Form is required with each requisition in Workday.

### COST/PRICE ANALYSIS

USD also requires documentation verifying that all purchases represent sound business decisions and that prices are fair and reasonable. Departments must conduct a cost/price analysis for all non-competitive purchases and fully document this analysis for purchase orders \$10,000 and over. Federal Government Grants Programs require maintaining of records sufficient to detail the history of procurement. These records will include:

- Basis for vendor selection
- Justification of selected or sole source purchase and
- Basis for the price of the purchase

### CONFLICT OF INTEREST

Any person participating in an RFP evaluation or requesting a single/sole source procurement is also required to be in compliance with USD's Conflict of Interest policies as referenced below.

<http://www.sandiego.edu/legal/policies/community/research/Policy%202.7.3.pdf>

<http://www.sandiego.edu/legal/policies/community/institutional/individual.pdf>

For purchases related to federal awards all University employees who participate in the selection, award or administration of a purchasing transaction related to a federal award must be free from real or apparent purchasing conflicts of interest. If such a conflict exists, the purchase of goods or services from the supplier directly or indirectly is prohibited.

### COMPETITION

All procurement transactions must be conducted in a manner providing full and open competition. Contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements. The exclusion applies if the contractor creates documents that contain language or substance that limits open and fair competition.

### EXEMPTIONS

Not all purchases over the competitive bidding threshold require competition. Exemption include but are not limited to the following categories

- Books and printed manuals
- Publications
- Memberships
- Journals
- Periodicals
- Subscriptions
- Utilities