

POLICY CONCEPT FORM

Name and UO Title/Affiliation:	Craig Ashford, Assistant General Counsel, Director of Purchasing and Contracting Services
Policy Title/# (if applicable):	Strategic Purchasing of Services and Goods
Submitted on Behalf Of:	
Responsible Executive Officer:	Craig Ashford

SELECT ONE: **New Policy** **Revision** **Repeal**

Click the box to select

HAS THE OFFICE OF GENERAL COUNSEL REVIEWED THIS CONCEPT: **Yes** **No**

If yes, which attorney(s): Missy Matella performed a separate review of the policy to ensure a different attorney has reviewed the policy independent of its drafter.

GENERAL SUBJECT MATTER

Include the policy name and number of any existing policies associated with this concept.

None

RELATED STATUTES, REGULATIONS, POLICIES, ETC.

List known statutes, regulations, policies (including unit level policies), or similar related to or impacted by the concept. Include hyperlinks where possible, excerpts when practical (e.g. a short statute), or attachments if necessary. Examples: statute that negates the need for or requires updates to an existing policy; unit level policy(ies) proposed for University-wide enactment; or existing policies used in a new, merged and updated policy.

[University Procurement and Contracting: Code of Ethics Policy](#)

[University Procurement and Contracting Code Policy](#)

[University Purchasing and Contracts for Personal or Professional Services and Goods Policy](#)

[University of Oregon Purchasing and Contracting Procedures](#)

STATEMENT OF NEED

What does this concept accomplish and why is it necessary?

This policy allows the University to engage in strategic purchasing for designated categories of services and products. Strategic purchasing is the process of negotiating a large-scale contract with a company or vendor that will provide the best price and service in exchange for the exclusive right, with some exceptions, to sell to the buyer. Large enterprises like the University of Oregon frequently buy groups of similar goods and services in nearly each of their various units and departments. This includes, for example, computer hardware, office supplies, copiers, printers, office furniture, event services, and other products and services. Large enterprises leverage their buying power to maximize savings and better service by identifying multiple categories of goods and services that can each be supplied by a single vendor.

For example, many large enterprises, including universities, will choose a single vendor for desktop or laptop computers, such as Dell, Apple, or another vendor and receive lower prices and better service in return.

AFFECTED PARTIES

Who is impacted by this change, and how?

This policy affects and applies to all entities within the University, including, but not limited to, academic departments, research centers and institutes, grant-funded programs, and auxiliary departments.

CONSULTED STAKEHOLDERS

Which offices/departments have reviewed your concept and are they confirmed as supportive? (Please do not provide a list of every individual consulted. Remain focused on stakeholders (e.g. ASUO, Office of the Provost, Registrar, Title IX Coordinator, etc.).)

Name	Office	Date
Kelly Wolf	Associate Vice President of Business Affairs and Controller	January 31, 2017
Mike Harwood	Associate Vice President for Campus Planning and Facilities Management	April 24, 2017
Jon Marchetta	Director of Finance and Facilities Shared Services	April 26, 2017
Chris Krabel	Interim Chief Information Officer, Information Services	April 24, 2017
	Finance, Administration, Purchasing and Information Technology Employees College of Arts and Sciences	May 2, 2017; Follow Up Meeting Scheduled May 11, 2017

Melynn Bates, Jeani Williams, Kim Ledbetter, Jeff Woodbury	Finance, Administration, Purchasing and Information Technology Employees College of Education	May 2, 2017; Follow Up Meeting Scheduled May 10, 2017
Kurt Langworthy, Melodi Jayne, Becky McGowen	Finance, Administration, Purchasing and Information Technology Employees Center for Advanced Materials Characterization in Oregon	May 2, 2017
Cass Moseley	Associate Vice President for Research	May 2, 2017
Mike Andreasen	Vice President for University Advancement	Meeting Scheduled for May 4, 2017
Kathie Stanley	Associated Students of the University of Oregon	May 3, 2017

Reason for Policy

To centrally coordinate the University of Oregon's purchases to obtain the best overall value, service, and efficiency.

Entities Affected by this Policy

All University academic, administrative, and auxiliary departments and units.

Web Site Address for this Policy

[Provided by Office of the University Secretary after policy is posted online]

Responsible Office

For questions about this policy, please contact Purchasing and Contracting Services at 541.346.2419 or pcsadmin@uoregon.edu.

Enactment & Revision History

New policy

Policy

The University of Oregon uses strategic purchasing to purchase goods and services for the University in an efficient, price effective manner. Strategic purchasing is best practice in higher education and allows universities to impose greater accountability in purchasing, comply with ethical duties and grant requirements, and reduce University costs paid by student tuition and state funds. This policy will be implemented in accordance with the Board of Trustees' delegation of authority to University officers, applicable law, and the University's established ethics and financial stewardship policies, rules, and procedures.

I. RATIONALE

Strategic purchasing is the process of negotiating a large-scale contract with a company or vendor that will provide the best price and service in exchange for the exclusive right, with some exceptions, to sell to the buyer. Large enterprises like the University of Oregon frequently buy groups of similar goods and services in nearly each of their various units and

departments. This includes, for example, computer hardware, office supplies, copiers, printers, office furniture, event services, and other goods and services. Large enterprises leverage their buying power to get better prices and receive better service by identifying multiple categories of goods and services that can each be supplied by a single vendor.

For example, many large enterprises, including universities, will choose a single vendor for desktop or laptop computers, such as Dell, Apple, or another vendor and receive lower prices and better service in return.

As the department responsible for establishing University purchasing guidelines, Purchasing and Contracting Services (“PCS”) is responsible for implementing this policy, including determining those goods and services that will be subject to strategic purchasing requirements and individual purchases that will be exempt from strategic purchasing requirements.

II. ENTITIES AFFECTED BY THIS POLICY

This policy affects and applies to all entities within the University, including, but not limited to, academic departments, research centers and institutes, grant-funded programs, and auxiliary departments.

III. APPLICATION OF POLICY

1. Selection of Services and Goods for Strategic Purchasing

The Vice President for Finance and Administration (“VPFA”), or designee, under delegated contracting authority from President of the University, will select those services and goods that must be purchased exclusively from a selected vendor using central University contracts negotiated by PCS. The Director of PCS will be responsible for making recommendations to the VPFA for strategic purchasing following the process described below.

Prior to recommending any category of service or good for strategic purchasing, PCS must consult with a standing strategic purchasing advisory committee to determine whether it is in the best interests of the University. The strategic purchasing advisory committee will have access to review the proposed terms and conditions for any anticipated contract for strategically purchased goods and services. The strategic purchasing advisory committee will consist of:

- One representative from each of at least three academic departments;
- One representative from the Business Affairs Office;
- One representative from Information Services;
- One representative from Sponsored Projects Services;

- One representative from the Associated Students of the University of Oregon;
- One representative from Finance and Administration Shared Services; and
- Representatives from any other department determined to be relevant to the category of services or goods discussed.

The strategic purchasing advisory committee's membership described above will include at least one officer of administration and at least one classified employee.

After consultation with the strategic purchasing advisory committee, if PCS anticipates recommending a category of services or goods for strategic purchasing, it will post its proposed selection on its University internal website, pcs.uoregon.edu, and notify all campus buyers and contract officers of the proposed selection. The online posting of PCS's proposed selection will solicit comment from campus employees. Campus buyers and contract officers will be encouraged to invite faculty and staff to review recommendations and provide comments.

The Vice President for Finance and Administration, or designee, is responsible for determining which services and goods will be selected for strategic purchasing. The VPFA will consider the recommendations of the Director of PCS and the strategic purchasing advisory committee and comments provided by campus employees when making the decision of whether to select a service or good for strategic purchasing.

2. Considerations for Selecting Services and Goods for Strategic Purchasing

PCS and the strategic purchasing advisory committee will consider the following factors, and others to the extent applicable, when determining whether to select a category of services or goods for strategic purchasing:

- The number of University departments that purchase the service or good;
- The ability to fulfill the needs and specifications of each department with one vendor;
- The ability to contract for exceptions, to the extent necessary, to the vendor's exclusive right to provide the services or goods to the University;
- Whether the service or good is a creative work or otherwise relies on the unique skill of the individual rendering the service or making the good;
- The amount of money saved by contracting with one vendor to provide the service or good for the entire University; and
- The level of service provided by contracting with one vendor to provide the service or good for the entire University.

3. Selecting Vendors for Strategic Purchasing

PCS will select a vendor for exclusive strategic purchasing through a competitive

procurement process. Specifically, each vendor will be selected through a Request for Proposal process as described in the University's policies located at policies.uoregon.edu and PCS's procedures located at pcs.uoregon.edu/content/statutesregulationspolicies. This includes the use of cooperative or government procurement contracts if it is determined, in writing, that the solicitation and award process for the procurement contract is reasonably equivalent to the competitive procurement process established by the University and the competitive procurement process was advertised in Oregon.

4. Exemptions from Strategic Purchasing Contracts

The Director of PCS, or a designee, may grant exemptions from this strategic purchasing policy to allow a campus employee to purchase a service or good from an alternative vendor. The buyer must request an exemption prior to making the purchase. Any purchase from an alternative vendor without prior authorization is an unauthorized procurement as described in the [University Procurement and Contracting Code Policy](#).

The Director of PCS, or designee, will consider the following factors, and any other relevant considerations, when determining whether to grant an exemption from this policy:

- The purchaser's need for required specifications or brands, including, but not limited to, exact specifications required to perform effective research;
- The purchase is a creative work or otherwise relies on the unique skill of the individual rendering the service or making the good;
- The service or good can be purchased at a substantially lower price through an alternative vendor. This depends both on the amount of the purchase and the percentage of savings; and
- If time is of the essence for the success of a critical University activity, whether the service or good can be obtained substantially earlier through an alternative vendor.

5. Applicable Purchasing Methods

PCS's selection of an exclusive vendor for a service or good applies to all categories of University purchases, including, but not limited to:

- Purchase Card
- Duck Depot online procurement system
- Purchase Orders
- Banner Purchase Orders
- Personal Service Contracts

6. Notification of Changes to Strategic Purchasing Designations

PCS will notify campus purchasers and contracting officers of any changes to the list of goods and services selected for strategic purchasing and the vendors selected to supply those services and goods. Notice will be provided through email to all campus buyers, purchasers, and contracting officers, and on PCS's website, pcs.uoregon.edu.

Related Resources

[Purchasing and Contracting Services Policies and Procedures](#)

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