

Procedures for Central Purchasing's Role in FM Construction and Construction Related Projects

1. Developing the RFB/RFP Package:

- It is recommended that the FM Owner's Rep (Owner's Rep) should first discuss with FM Purchasing whether the transaction should be a request for bid (RFB) or request for proposal (RFP). FM Purchasing confirms with Central Buyer.
- FM Purchasing (Chip or Denis) shall be the main point of contact for the Central Purchasing buyer.
- The Owner's Rep is responsible for 1) developing the specifications, 2) providing the signed Requisition (RX) form with dollar estimate and area/org and the FM Purchasing Vendor Profile, and 3) providing any recommended vendors including addresses, fax and e-mail addresses wherever possible. The Requisition form is available on the web at www.fpd.finop.umn.edu/groups/ppd/documents/form/BA1304w.doc
- It is preferred that the specifications be provided in MS Word whenever possible.
- Owner's Rep will provide the web site to download drawings, one master set of hard drawings to FM Purchasing for the file. The Owner's Rep will coordinate additional sets of plans needed.
- The Central Purchasing buyer and FM Purchasing will coordinate whether the plans will be available on the web, attached to the e-mailed RFB/RFP, available from Central Purchasing for pickup or available through an Architect contact referenced in the bid. FM Purchasing should discuss with CP Buyer the date for any pre-bid or pre-proposal meetings prior to scheduling the meeting. The FM Vendor Profile will be included with the RFB/RFP.

2. Issuing the RFB/RFP to Vendors:

- The Central Purchasing buyer is responsible for reviewing the RFB/RFP and advising FM of any suggested edits. The central buyer follows the standard bid/RFP processes, for example, BCED, Tax, OGC and Insurance will be consulted on the RFP draft as needed. Once a final document is mutually agreed upon, the Central Purchasing buyer will issue the bid to the list of recommended vendors, the BIS (Bid Information Service – a web based bid site), and any other sources available.
- If FM Purchasing is identified as the contact on the requisition, they will be sent a confirming copy of the RFB/RFP at the same time the copies are sent to the designated vendors. FM will forward a copy to the Owner's Rep. The Owner's Rep will then share the information with their customer department. All vendors must receive their RFB/RFP copies from Purchasing, otherwise they may not be registered to receive addendums later.
- The standard bid time for a request is 10-30 working days. More complex request for proposals may require an extended timeline. Discuss this issue with Purchasing. It is not recommended that this be reduced unless there are critical issues forcing that restriction.
- To effectively manage the process, only the Central Purchasing's buyer name, email and phone number are included in the RFP document. For RFB documents, FM Purchasing and the Central Buyer's name will be referenced on the bid document. For RFPs, the Central Purchasing Buyer is usually the only contact. Once the document is issued to vendors, any communications to vendor regarding the RFB/RFP must go through the Central Purchasing buyer. Architects may be named to coordinate distribution of plans and spec books.

3. Receiving RFB/RFP:

- Central Purchasing will receive, clock in, log and publicly open all bids submitted. If a Request for Proposal is used, only the name of the respondents is public. Responses are not public on RFPs until after the award.
- The Central Purchasing buyer prepares a bid tabulation document and a cover sheet (Referral form). This Referral Package is forwarded to FM purchasing and includes 1) the original bids (excluding any no-bids or late bids), 2) the Referral Cover page and 3) the tabulation.
- Central Purchasing will forward the Referral Package to FM Purchasing.

4. Evaluation of RFB/RFP:

- The Owner's Rep reviews the responses and discusses them with the requesting department and the FM buyer (and the Central Buyer as needed).
- Major points about Request for Bids (RFB): 1) bids can not be changed or negotiated, but can be clarified – only Proposals (RFPs) allow for negotiation and 2) bids must be awarded to the lowest responsible bidder meeting the stated specifications.
- The Owner's Rep will complete the lower part of the Referral form (or an attached memo if more space is needed) to document their recommendation for award and will return ALL RFB/RFP documents to Central Purchasing buyer for final review and approval. Referral form must be signed by the Owner's Reg's manager with delegated authority. For RFPs, the Owners Rep will attach the RFP Evaluation detail's and the narrative summary of award recommendation.
- If there was only one RFB/RFP response, then Owners Rep must provide documentation to FM Purchasing about how it was determined that this price is reasonable.
- If the recommendation is not for the low bid, the Owner's Rep includes written justification explaining why the low bid is not acceptable. It is best to discuss this situation with FM Purchasing (who will involve the Central buyer, as necessary), prior to submitting the documentation. This information is usually sent by the Central Purchasing buyer to the rejected vendor for their review.
- Unless FM had the purchase approved through the University's Capital Budget process, any award (per vendor) of \$250,000 or more must be approved by the Board of Regents finance Committee. In these cases, the Owner's Rep working with FM Purchasing and the customer department must complete the Regent Docket forms to submit the item for Regent's approval through the Purchase of Goods and Services Report presented through Central Purchasing. These Purchasing forms are available on line at <http://purchasing.umn.edu/need/docket.php>.

5. Awarding the RFB/RFP:

- The Owner's Rep forwards the award recommendation to the FM Buyer. The FM Buyer drafts the Open purchase order based on the Owner's Reps PREQ information. The FM Buyer forwards the Open purchase order draft, the appropriately signed Referral Page with award recommendation and the bid or proposal copies back to Central Purchasing.
- The Central Purchasing Buyer reviews the Referral recommendation or RFP evaluation documentation and reviews the Open purchase order draft.
- The Central Purchasing Buyer communicates any necessary changes on the purchase order to the FM Buyer and requests the final copy of the purchase order be generated by FM.
- The FM Buyer faxes (Fax #6-0366) the final purchase order to the Central Purchasing Buyer.
- The Central Purchasing Buyer attaches any necessary copies and the proper set of terms and conditions. The Central Purchasing Buyer signs the purchase order and distributes. The Central Purchasing Buyer faxes the purchase order to the vendor and a copy to the FM Buyer along with the Fax Confirmation sheet showing that the vendor copy was sent. The Central Purchasing Buyer retains a copy of the purchase order and attachments for the Central Purchasing file.
- The FM Buyer will forward any copies of purchase orders to the Owner's Reps or department contacts as needed.

6. Closing the File:

- Bid or proposal file will be closed and filed in Central Purchasing with a copy of the purchase order.

7. Change Orders:

- Central Purchasing buyer will be consulted about change orders that deviate from the Central Purchasing's buyer's recommendation or from the original bid awarded.
- FM prepares change order and forwards to Central Buyer for signature.
- Central Buyer signs and returns to FM.
- Central Buyer does not need to be contacted on internal changes, i.e.: Account Number changes, ILOC changes, etc.

Draft of Template

Central Purchasing Buyer will draft the wording for the FM Purchase Order.

This wording would be used to issue an FM purchase order that will be used as a cover page to the award package.

Award of Request for (Bid or Proposal) #

(FM Project #)

For (product or description)

The attached are incorporated into this award.

TOTAL \$

Buyer: