

Competitive Bidding

Purpose

This prescribes policy and procedure for all University purchases that competitively bid regardless of the funding source.

Scope

This policy applies to all Boston University employees and other University representatives and should be used for all purchases that exceed \$25k and can be sourced using the competitive bid process.

Responsibility

Any Boston University employee participating in a procurement process shall (a) purchase materials and services at the "best value" or lowest total cost, which takes into account not only purchase price, but also compliance with technical or functional specifications, product availability, ordering and invoicing processes, service standards, accounting compliance and regulatory requirements; (b) be responsible for the review, evaluation, and documentation of each element of total cost; and (c) be able to justify the economic, research, and/or educational need for the procurement decision.

Procedure

- Purchases < \$25,000 – Bids and solicitations from a vendor for less than \$25,000 are the responsibility of the requesting authority or department to determine "fair and reasonable" pricing. Depending on the complexity of the intended procurement, determination of best value should include, but is not limited to, competing price quotations, references to purchases under Boston University Master Supply Agreements and/or request for proposal (RFP) documentation. Departments shall retain bid data supporting purchases (paper or electronic) to the minimum extent and duration necessary for management review of the intended procurement.
- Purchases > \$25,000 – For any vendor purchase greater than \$25,000, bid documentation demonstrating that the best value has been chosen must be forwarded along with the requisition prior to purchase.
- Purchases > \$100,000 – Purchases involving a multi-year commitment or total purchases greater than \$100,000 shall be awarded to a vendor only after a competitive bid process has taken place including (a) an assessment of the market and the supply base, (b) written "scope of work" and "award criteria", (c) a Request for Proposal (RFP) drafted and distributed to vendors, (d) an analysis of vendors' responses to the RFP, and (e) execution of a written contract or purchase agreement prior to award.

Helpful Hints

All procurement transactions shall be conducted in a manner that ensures free and open competition to the maximum extent practicable. Boston University employees

or members of their families should not directly or indirectly own a “significant” financial interest in any business entity doing business with Boston University unless: (a) employees have fully disclosed these interests, in writing, on the Conflict of Interest Disclosure Form as defined under Boston University’s Conflict of Interest Policy; (b) the employees’ duties at Boston University will not require them to make decisions that could be influenced by these interests; and (c) the referenced business relationship has been reviewed and approved by the Compliance Committee and is subject to the oversight of the Audit Committee.