

If Using Sponsored Funds (e.g., Program Code 1200 or Index starting with a 4)

Proposed Procurement Rule Changes Summary

Effective 10/1/16

Rule	New	Prior	Impact
Purchases < \$5,000 (includes FPO's)	Use a direct pay process via a voucher request and process directly through Accounts Payable	Create an encumbrance via a purchase order (or FPO) process and then pay the invoice in Accounts Payable	Eliminate the creation of a purchase requisition and the purchase order process for approximately 1,000 + procurements (aligns with procurement card approval policy).
Public bid threshold	Require a public bid process for goods and services > \$50,000	Required a public bid process for goods >\$10,000 and services > \$25,000	Reduce the number of public bids from an estimated 160 to 54. This process requires a 3 day posting period as well the completion of the specification document.
Quotes	Require at least 3 quotes for procurements >\$3,500 (Requirement of Uniform Guidance).	Quotes have not been required; this replaces the public bid process	Provides compliance with federal regulations for all purchases >\$3,500 and competitive pricing. (Estimated savings of \$177,000 when 3 quotes are provided for procurements <\$50,000)
Change Orders	Require the same approval as the original PO	No formal approval process was documented	Compliance with internal controls

If Using Any Funds Other Than Sponsored Funds

Proposed Procurement Rule Changes Summary

Effective 10/1/16

Rule	New	Prior	Impact
Purchases < \$5,000 (includes FPO's)	Use a direct pay process via a voucher request and process directly through Accounts Payable	Create an encumbrance via a purchase order (or FPO) process and then pay the invoice in Accounts Payable	Eliminate the creation of a purchase requisition and the purchase order process for approximately 1,000 + procurements (aligns with procurement card approval policy).
Public bid threshold	Require a public bid process for goods and services > \$50,000	Required a public bid process for goods >\$10,000 and services > \$25,000	Reduce the number of public bids from an estimated 160 to 54. This process requires a 3 day posting period as well the completion of the specification document.
Quotes	Require at least 3 quotes for procurements >\$10,000.	Quotes have not been required; this replaces the public bid process	Provides competitive pricing for procurements greater than \$10,000. (Estimated savings of \$177,000 when 3 quotes are provided for procurements <\$50,000)
Exemptions	Expand the number of exemptions from the competitive process by 13. These exemptions do not apply to procurements using sponsored funds.	Nine procurements were exempted from the competitive process	Eliminate approximately 25 sole source requests per year and/or non-value added public bids for: <ul style="list-style-type: none"> • Library collections/subscriptions • Pre-owned equipment or vehicles • Component parts, software and maintenance for existing equipment • Software license renewal, maintenance and upgrades • Public utilities • Works of art, entertainments, literary works, music, film, etc. • Advertising • Dues and memberships • Tuition, registration or fees for training, classes, conferences and seminars • Travel related expenses • Specialized professional services for speaking engagements, teaching or research services • Legal or litigation services • Defined contribution plan administrator/record keeper <p>Please see the Procurement Rules for additional information and requirements related to the above exemptions.</p>
Change Orders	Require the same approval as the original PO	No formal approval process was documented	Compliance with internal controls