

# Procurement: We are not Vogons

It is a very sobering feeling to be up in space and realize that one's safety factor was determined by the lowest bidder on a government contract.

Alan Shepherd, U.S. Astronaut

“Vogons are one of the most unpleasant races in the galaxy. Not evil, but bad-tempered, bureaucratic, officious, and callous.... They can't think, they can't imagine, most of them can't even spell. They just... run things.”

Hitchhiker's Guide to the Galaxy

# What we are

- Concerned about getting you what you need  
(Note: not necessarily the same as what you want)
- Concerned about the best interest of the University
- Concerned about best product/service at the best price (best value)
- Concerned about competition – it does amazing things for producing lower prices, better quality
- Interested in solutions

# What we are not

- Vogons!! (officious, callous, etc.)
- Looking for more work than is necessary
- Interested in complicating matters
- People who like to say “No”
- People who want to control the situation

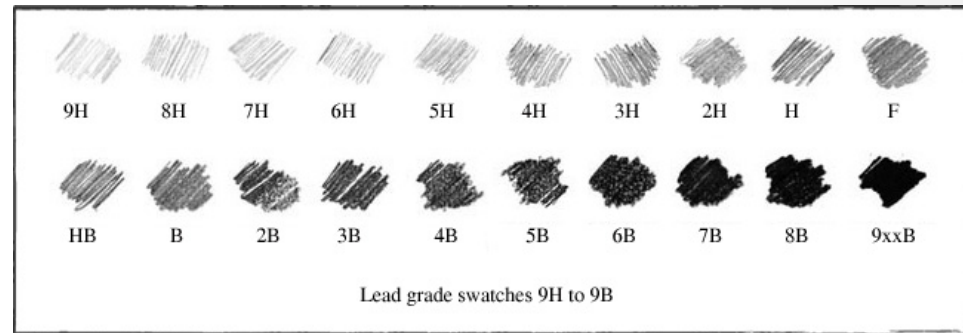
# Basic Overview

- We directly handle purchases over \$25,000
- Are you seeking information?
  - Request for Information (RFI)
- Is price your only concern?
  - Request for Quotes (\$25k-\$150k)
  - Invitation to Bid (\$150k+)
- Do you have other factors to consider?
  - informal Request for Proposals (\$25k-\$150k)
  - (formal) Request for Proposals (\$150k+)
- Pre-existing contracts: OSU price agreements, State of Oregon contracts, cooperative agency contracts
- Other circumstances (sole source, exemptions, alternative procurement methods)
- We usually default to our own contracts, more room to negotiate after procurement is completed

# Pencils

“We want to buy some pencils”

- Mechanical vs. non-mechanical?
- Graphite vs. charcoal or grease?
- If graphite, how hard?
- What color markings?
- What kind of casing: round, hexagonal?
- What color casing?
- How fine a point?
- Eraser, yes or no?
- Any specific length?
- Anything you DON'T want?
  - e.g. golf pencils



# Value we (actually) add

- Unexpected value- you might not know everything
- Clarity, another set of eyes, common-sense questions
- Prevent worse-case scenarios
  - You not getting what you need
  - Limiting competition
  - You having to spend more than you wanted to
  - Vendor protests that force a restart of the whole process
  - Conflicts of interest
  - Poor audit findings
  - Having your purchase featured in the news as a poor purchasing practice

# Clarity

- Hiring a firm to provide lab services
  - Specify that the firm has to have x number of years of experience.
- What if the firm has junior scientists on staff- do you want them doing the work?
  - Ok, specify that only **persons** with x number of years of experience at the firm can do the work.
- How do you know which persons at the firm will do the work to corroborate their experience?
  - Ok, specify that only persons with x number of years of experience at the firm can do the work, and the responses **must** contain resumes



# Scenarios

- I already know the best company/product out there- why do I need you?
- I already vetted everyone out there on my own- why do I need you?
- We did an RFQ for equipment, got the lowest price, but I now realize that the software it comes with is inferior to the other respondents- can I award to someone else?



# Scenarios

- Budget of \$60k, lowest bidder is only \$40k- what can I spend the rest of my money on now? Can I get more stuff?
- Contract has expired but we really still need it- what can I do?
- I've already spent \$24,000 on a project and now I need to spend \$5,000 more, but that breaks the threshold- what do I do now?

# Ways to make it easier

- Involve us EARLY
- Develop functional reasons for your desires
- Be prepared to explain “why” until it hurts
- Understand your preferences may not be sufficient
- Think about what is truly required
- Keep asking yourself: “What do I need in order to be completely satisfied that the work will be done?”

# Ways to make it harder

- Using previous knowledge
  - I've worked with X company in the past before; I know they're good
- Communicating with the respondents on your own
  - Taking phone calls, answering questions, giving them a "head's up"
- Splitting work into "phases" on purpose
- Not getting specific enough with what you need
- Using one vendor's specs to build your own
  - Has to be generalizable enough to promote competition
- Doing your own process before contacting us

Remember, because we care...

