Buying Goods & Services 101

1:30-2:20 General Procurement Concepts

2:20-2:30 Break

2:30-3:30 General Marketplace Navigation
General Procurement

1. What is Procurement
2. Who Manages It
3. Ways to Shop
4. Strategic Procurement
5. Purchasing Code of Ethics

1:30-2:20
What is Procurement?

Buying

Develop strategic supplier relationships
Adhering to sustainable practices & environmentally preferable purchasing

Facilitates the purchase of goods & services

Manages contracts, agreements & competitive bid solicitations

Helps you source the highest quality products & services at the lowest cost
We buy a wide variety of stuff...

Simple

Complex
Who makes up P&C?

The Power of One, a unified organization making a positive difference in research and academics.

Accountable to our campus and supplier communities to deliver the right business solution through the creation of collaborative relationships which leverage our size and best practices.
How do I shop?

and...

marketplace

2 ways to shop

exceptions
Online buying site used to create & issue Purchase Orders
What is a Purchase Order?

### UC San Diego Marketplace

#### Supplier Information:
- **Supplier Name:** Jani-King of California, Inc - San Diego Region
- **Address:** 6170 Cornerstone Court E Ste 330 San Diego, CA 92121 US
- **F.O.B. Terms:**
- **Payment Terms:** 0% 25, Net 25
- **Contract No.:** No Value
- **RUA No.:** No Value

#### Supplier Instructions:
Send an order confirmation directly to the customer listed below on this UC San Diego Marketplace Purchase Order.

### Delivery Address:
- **Customer Name:** COLLEEN LEACH
- **Customer Fax:** No Value
- **Customer Email:** cleach@ucsd.edu
- **Customer Phone:** +1 (858) 534-3084
- **Department:** Book Store (Book Store)
- **Purchasing Phone No.:** +1 (858) 534-3084

### Send Order Confirmation To:
- **Send Order Confirmation To:** COLLEEN LEACH
- **Accounts Payable Office:**
  - **Address:** 9500 Gilman Drive, MS 0955 La Jolla, CA 92039-0955 United States
  - **Contact for Invoice Related Inquiries:** +1 (858) 534-4080

### Send Invoices To:
- **Accounts Payable Office:**
  - **Address:** 9500 Gilman Drive, MS 0955 La Jolla, CA 92039-0955 United States
  - **Contact for Invoice Related Inquiries:** +1 (858) 534-4080

### Product/Service Description:
- **Request:** Recurring Services - First Service
- **Service Description:** Monthly contract for cleaning services

### Catalog No.:
- **SERVICE-RS**

### Unit Price:
- **$350.00 USD**

### Quantity:
- **4 EA**

### Ext. Price:
- **$1,400.00 USD**

### ADDITIONAL INFO:
- **Period of Performance Start Date:** 7/2/2012
- **Period of Performance End Date:** 10/31/2012
- **Professional Buyer Comments:** **DO NOT FULFILL**

### Options:
- **Best Carrier-Best Way**

### Taxable?
- **No**

### Title Vests w/Government?
- **No**

### Subtotal:
- **$1,400.00 USD**

### CA Sales Tax:
- **$0.00**

### Use Tax:
- **$0.00**

### Shipping:
- **$0.00**

### Handling:
- **$0.00**

### Total:
- **$1,400.00 USD**

Please update the shipping, handling and tax estimates and include on the order confirmation.
Make sure you have a Purchase Order BEFORE goods are sent or services are rendered.
How is a PO generated?

1. Requisition
2. Approval
3. Suppliers
4. Purchase Orders
When to use a Purchase Order

- Frequent purchases
  - Lab/office orders more than 5x per year
- High dollar purchases
  - Total order amount of the order exceeds $4,999
- Requesting goods or services that are restricted to a Purchase Order
To PO or Not to PO

Not every purchase makes sense on a PO

Express Card pairs with Marketplace to simplify buying and paying for infrequent, low risk, and low value purchases under $4999

Express Cards are necessary for purchases that fall outside the normal Purchase Order circumstances
Express Card Features

- Per transaction limit amount is $4,999
- Monthly cycle limits are $10,000. Cards cycle at the 15th of each month
- Accepted by all Suppliers that take VISA
- Although you must select an Index to default on the Express Card, both Index and Account codes can be changed or split before costs hit the ledger.
<table>
<thead>
<tr>
<th>Marketplace</th>
<th>Express Card</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequent (&gt;5x year)</td>
<td>Infrequent</td>
</tr>
<tr>
<td>Restricted to a PO</td>
<td>Not on the restricted list</td>
</tr>
<tr>
<td>All dollar thresholds</td>
<td>Under $4999</td>
</tr>
<tr>
<td>Supplier will not accept Express Card</td>
<td>Falls outside of normal PO circumstances</td>
</tr>
</tbody>
</table>
If you purchase goods or services for your department, read this page to learn about items with specific ordering processes.

Please refer to the guidelines before processing your order. DO NOT SIGN A SUPPLIER CONTRACT.

<table>
<thead>
<tr>
<th>What is it</th>
<th>What do I do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alcohol and/or bar service for a meeting or hosted event</td>
<td>Refer to <a href="#">guidance</a></td>
</tr>
<tr>
<td>Alcohol for ships operations or specialized inventory</td>
<td>Refer to <a href="#">PPM 510-1, Section XIII</a> and use Marketplace iRequest for Restricted Goods</td>
</tr>
<tr>
<td>Animals</td>
<td>See <a href="#">Animal Acquisitions</a></td>
</tr>
<tr>
<td></td>
<td>If you need to purchase animals, please contact <a href="mailto:animals@apc.ucsd.edu">animals@apc.ucsd.edu</a>, (858) 534-4263</td>
</tr>
<tr>
<td>Awards</td>
<td>See <a href="#">Gifts and Awards</a></td>
</tr>
<tr>
<td></td>
<td>Submit a <a href="#">Payment Authorization</a> online</td>
</tr>
<tr>
<td>Building alterations, repairs, maintenance, cleaning, landscape, sign fabrication services or special refuse pickups</td>
<td>See <a href="#">How to Request Facilities Management Services</a></td>
</tr>
<tr>
<td>Catering [On-Campus Recharge]</td>
<td>See <a href="#">Entertainment Allowable Expenses and Occasions</a></td>
</tr>
<tr>
<td></td>
<td>To use <a href="#">UCSD Catering Services</a>, see <a href="#">Recharging UCSD Catering or Faculty Club Expenses</a></td>
</tr>
</tbody>
</table>
Areas of Focus

Procurement policy compliance

Strategic procurement that emphasizes cost savings, sustainability & social responsibility
Total Cost of Ownership

Buying at UC San Diego

Return Process
Gas mileage
Monitor Price & Quality
Warranty

Terms & Conditions
Insurance premiums
Repair

Taxes & Fees
Depreciation
Fuel Costs
Interest on your loan

Maintenance
Extended warranty
Performance Expectations

Minimize Shipping Fees
So...what is an "Agreement Supplier"

- Long term **contract** outlining the mutual responsibilities of the University and Supplier to ensure the supply, quality and reasonable pricing of goods and services.

- Outlines **on-going related requirements and performance expectations** needed now and in the future.

- Outlines **what happens when things go wrong**.
## A Few Key Agreements

### Marketplace Supplier Search

Use this search tool to find suppliers available in Marketplace. *Note: Data is refreshed every 24 hours.*

- Agreement Supplier
- Subrecipient
- California Supplier
- Certified Small Business Concern
- HUBZone Small Business
- Minority-Owned Business
- Service-Disabled Veteran-Owned Small Business
- Small Business
- Small Disadvantaged Business
- Veteran-Owned Small Business
- Women-Owned Small Business

**Search all columns:**

<table>
<thead>
<tr>
<th>Supplier Name</th>
<th>Web Site URL</th>
<th>Account Code</th>
<th>Known to Sell</th>
<th>Order by</th>
<th>Supplier Flags</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adecco USA</td>
<td><a href="http://www.adecousa.com">www.adecousa.com</a></td>
<td>637207-Professional &amp; Consulting Services</td>
<td>Temporary Staffing, ...</td>
<td>iRequest Supplier</td>
<td>A</td>
</tr>
<tr>
<td>Affymetrix Inc.</td>
<td><a href="http://www.affymetrix.com">www.affymetrix.com</a></td>
<td>638042-Laboratory Supplies</td>
<td>Gene Chip Analysis</td>
<td>iRequest Supplier</td>
<td>A</td>
</tr>
<tr>
<td>Agilent Technologies - Consumables</td>
<td><a href="http://www.home.agilent.com/">http://www.home.agilent.com/</a></td>
<td>638042-Laboratory Supplies</td>
<td>Measurement Services</td>
<td>iRequest Supplier</td>
<td>A</td>
</tr>
<tr>
<td>Airgas USA, LLC</td>
<td>AIRGAS.COM</td>
<td>638010-Medical Supplies</td>
<td>Gases, Cylinders, Val...</td>
<td>iRequest Supplier</td>
<td>A</td>
</tr>
<tr>
<td>Allele Biotech</td>
<td><a href="http://www.allelebiotec.com">www.allelebiotec.com</a></td>
<td>638042-Laboratory Supplies</td>
<td>Custom Oligos, Fluor...</td>
<td>Punchout Supplier</td>
<td>A</td>
</tr>
</tbody>
</table>
Give fair & equal consideration to all competitive suppliers

Decline personal gifts & favors

Demand honesty in sales representation

Purchasing Code of Ethics

Look for the best value for your dollar

Foster fair, ethical & legal business practices

Be mindful of UC San Diego’s Mission & Principles of Community

Conduct business with suppliers ethically
Remember

1. You are buying on behalf of the University

2. Make sure you have a Purchase Order BEFORE goods are delivered or services rendered

3. Don’t sign anything
10 MINUTE BREAK

(log into marketplace.ucsd.edu)
2:30-3:30

General Marketplace

1. Introduction of Marketplace
2. Marketplace Roles
3. Marketplace Navigation - site demo
4. iRequest Overview
5. Checkout
What is marketplace?

- Tool brought to you by Procurement & Contracts

- Generates POs [Purchase Orders]
  - Order via an iRequest
  - Shop through Agreement Supplier catalogs
  - Shop via a Punchout

- Not a supplier - no inventory
1. Search Bar
2. Punchout

UCSD version of a supplier site populated with UCSD Forms to process more complex orders (like quotes)

3 Ways to Shop
Can purchase up to $5,000 dollars on home department’s Index without approval

Can purchase up to $2,500 dollars on home department’s Index without approval

Can purchase up to $500 dollars on home department’s Index without approval

Assigns Index and Submits Cart

Shops in Marketplace
Approval Structure

Business Unit

- Grouping of Indexes and people authorized to approve against those Indexes
- 3 approval levels
- Non-hierarchical approval process
• Must be a UC San Diego employee
• Single Sign-On required
  ▪ Marketplace.ucsd.edu
  ▪ Accessible from Blink
• Bookmark once you’ve landed on the Marketplace homepage
• Pulls from Blink & Affiliate profile
• If you’re an Approver, you can change your Email Approval code here
- Department Administrator grants shopping roles
- To change your role, contact your Department Administrator
Email Preferences

- Emails that auto generate
  - PO sent to Supplier
  - Item rejected

- Receiving too many emails? Turn off a notification
• Add multiple locations
• Default a frequently used address
- Add multiple index numbers
- Default a frequently used index or index split
• Form designed to support complex, advanced purchasing transactions

• Any dollar accepted on iRequests

• Routes to Professional Buyer based on Account Code and dollar amount
iRequest Format

• Supplier must be available in Marketplace
• Prices are broken out by rate and unit of measure
  ▪ No "Buckets o' Money"
• Multiple lines can be added to each iRequest
• Required documentation is embedded into each iRequest
  • Sole Source Justification
  • Pre Hire Checklist
  • Employee Vendor Relationship Disclosure
miniRequest

When to Use:

• For non-restricted, non-quoted items
  All purchases more than $4999 should have a quote or two!

• Items not found in search results or punchout

Examples:

• $50 antibody not found in search results
• $200 pipet calibration service
• A change to a completed purchase order
• Requested by the Department via an iRequest
  ▪ iRequest: PO Revision or Cancellation
  ▪ iRequest: Index/Account Code-Only Change
  ▪ iRequest: Subaward Modification
• Processed by a Professional Buyer in Procurement and Contracts
When is a PO Revision appropriate?

- When the Supplier requires a revised PO for one of the following:
  - Cancellations
  - Adding new line items
  - Quantity or unit price increases/decreases
  - Changes to Period of Performance
  - Changes to Shipping Address, Taxable status, Shipping and Handling Charges
  - Changes to Index/Account Code information for the remaining balance of PO
Checkout
Where does my shopping cart go?

Requisition

Purchase Orders

Approval

Suppliers
What to do with invoices?

Send invoices to Disbursements
MC 0955
Thank you for attending

mphelp@ucsd.edu