IT Purchasing at Penn:

Business Services Division
Purchasing Services

www.purchasing.upenn.edu

Brent Friedman,
Sourcing Manager
Who We Are

• 1 of 19 departments that comprise Penn’s Business Services Division

• Procurement & e-Business professionals with category or systems management responsibilities

• Contract and transactional approval for nearly $1B in spending

• IT Category:
  – Over $180M annual University IT spend (ex-UPHS)
  – 100+ contracted suppliers
  – 100’s of “approved” suppliers

• UPHS has a separate Purchasing Department
Penn Purchasing Mission:

- Provide high-quality service, best value through best practices, in a fiscally responsible manner.

- Deliver user-friendly and efficient buying methods, training programs, customer service and support.

- Leverage the institution's buying power to develop strategic supplier business relationships and implement cost effective contracts that produce significant financial return-on-investment.

- Support the principles of socially responsible purchasing.
How can Purchasing Services add value to my project?

**Financial**
- Request for Quote (RFQ) & Request for Proposal (RFP)
- Reverse Auctions
- Consortium contracts
- Spend reporting and analysis
- Negotiation planning (financial)

**Benchmarking**
- Request for Information (RFI)
- Ivy League / Comparable institutions / Philadelphia Area Collegiate Cooperative
- Corporate?

**Risk Mitigation**
- Financial solvency assessment
- Contracting / Statement of Work review
- Negotiation planning (legal)

**Vendor Conditioning**
- Tactics to enhance competition & obtain what you need from your suppliers
2. **Purchasing Services**, in conjunction with the **Office of the Comptroller**, is responsible for enforcing University procurement and disbursement policy.

3. The Director of Purchasing Services has the authority and responsibility to:
   
a. Negotiate all procurement terms and execute all purchases of goods and services unless otherwise prohibited by University statutes or policy or Trustee action; and
   
b. In conjunction with the **Office of the Treasurer**, determine and recommend, when appropriate, the potential benefits offered by a lease as compared to the purchase of equipment in accordance with Financial Policy #2311 – Procurement of Equipment.

4. No employee of the University, except as authorized by the Trustees of the University of Pennsylvania, the statutes of the University or President’s letter of delegation, is empowered to incur any obligation or make any commitment on behalf of the University for the procurement of products, services, or equipment unless approved in writing by the Director of Purchasing Services.

1. **Purchasing Services** is responsible for establishing an equitable and efficient competitive bidding process and ensuring that the procedures are followed.

2. All purchases with an aggregate value of $5,000 or more must be competitively bid. Regardless of the dollar amount, **competitive bids are not required** for purchases from University **Contract Suppliers** and Penn Marketplace Suppliers.

3. Normally, a minimum of three bids from qualified sources of supply will be required. However, circumstances may exist when fewer than three bids or more than three bids may be appropriate:
   
a. Purchasing Services will accept fewer than three bids only in cases where the normal competitive bidding process cannot be conducted. Purchase orders for which at least three bids cannot be obtained must be accompanied a written Request to Waive the Competitive Bidding Process, in which the circumstances are explained.
   
b. Purchasing Services is authorized to determine when more than three bids will be required.

4. Purchasing Services is authorized to require competitive bids for purchases from University contract and Penn Marketplace suppliers, if in its judgment, cost savings may be realized or other university objectives accomplished.
Upcoming Initiatives – Seeking Candidates

- Build a Managed Print Solution framework
- Conversion to recycled / remanufactured ink & toner
- Conversion to (at least) 30% PCR paper
- E-Waste process harmonization
- “Greener products” campaign (Office Depot)
- “Green Office” Scorecard (FRES)