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| **Purchase Requisition #** |
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**Purchase Justification Form**

Competitive bidding is required whenever University and/or government funds are used **and** the total purchase amount is **$5,000 or greater**

To comply with University Purchasing Policy, completion of this Purchase Justification Form is required for all purchase requisition requests of $5,000 or greater. Please contact Purchasing directly for requisition requests in excess of $25,000. This form must be attached to your purchase requisition or emailed to the Purchasing Department along with all supporting documentation. Failure to do so will result in all paperwork being returned to the user for reprocessing.

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| When an identical item is quoted differently by two or more suppliers | * Complete Section A (indicate name of all suppliers and record amounts of all quoted prices) * Complete Section C (indicate the appropriate statement) and Section B (if applicable) |
| When only one supplier’s bid is obtained | * Complete Section A (indicate name of the supplier and record the total amount) * Complete Section C (indicate the appropriate statement) and Section B (if applicable) |
| Noncompetitive Purchases (sole or selected source, strategic partners, emergency orders) | * Complete Section A (indicate name of the supplier and record the total amount) * Complete Section B (indicate justification and a brief explanation of the noncompetitive purchase) * Complete Section C (indicate the appropriate statement) |

**\*\*Please Complete Sections A, B and C\*\***

**SECTION A – LOWEST COMPETITIVE BID –**

$5,000 - $10,000: Record all oral quotations below for requests between $5,000 and $10,000 and maintain copies of all bids/quotations in your office.

Over $10,000: Record all written quotations below and for audit purposes, please include copies of all bids/quotations when submitting your purchase requisition

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| **SUPPLIER A** | **TOTAL PRICE $** |
| **SUPPLIER B** | **TOTAL PRICE $** |
| **SUPPLIER C** | **TOTAL PRICE $** |

**SECTION B – NONCOMPETITIVE PURCHASE JUSTIFICATION OR AWARD TO OTHER THAN LOWEST BIDDER –** (REQUIRED IF LOWEST BIDDER WAS NOT CHOSEN)

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| **SELECTED SOURCE** Alternative suppliers do exist, but selection was based on: a) technical requirements (e.g. precision, product reliability, etc) or b) history of past performance with alternative suppliers. |
| Indicate all alternative suppliers which were considered on what basis they were rejected: |

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| **SOLE SOURCE** Alternative suppliers do not exist, as no other supplier is known to be capable of fully satisfying requirement. |
| Indicate your specific requirements and why alternative suppliers could not fulfill your needs: |

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| **EMERGENCY ORDER** Please explain the nature of emergency and reasons for supplier selection. |
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**SECTION C – COST/PRICE ANALYSIS –** (REQUIRED) Select all applicable statements which indicate the bid price was fair and reasonable:

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| Quoted prices incorporate discounts not available to the general public and reflect substantial savings (e.g. University pricing, specific negotiated pricing, or strategic supplier partnership agreements).  Quoted prices compare favorably to previous prices paid for the same of similar items.  The supplier has stated that the quoted prices are no greater than those charged to the supplier’s most favored customer.  The price was obtained from a current catalogue or standard printed price list.  OTHER (please describe) |

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| **DEPARTMENTAL AUTHORIZATION –** (signature of the department representative who initiated the purchase)  Name (please print) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Department \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

8/21/2014 Revision

**BID POLICY**

The Federal Acquisition Regulation (FAR) defines a small purchase as $100,000 or less. The University of New Haven requires that any purchase over $5,000 comply with FAR regulations and Competition and Price Reasonableness Rules. A completed and signed Purchase Justification Form must accompany requisitions $5,000 and greater. All purchases should represent sound business decisions and follow price reasonableness rules.

**COMPETITIVE BIDDING (Section A)**

The University of New Haven requires competitive bidding and documentation for every purchase order $5,000 and over. Buyers are expected to promote competition and ensure advantageous pricing by soliciting bids from a minimum of three suppliers and to select the lowest bidder able to meet the requirements. For orders $10,000 and over the quotations must be written. Requesters of quotations must submit documentation of these bids/quotations when submitting purchase requisition.

**NON-COMPETITIVE SUPPLIER SELECTION (Section B)**

Occasionally, an administrator is unable or may choose not to competitively bid the requirements. These situations involve selected or sole sources.

Selected source: alternative suppliers exist in the competitive market, but the buyer chooses a particular supplier because of technical requirements (precision, reliability) or past performance by other suppliers (poor service, availability of parts).

Sole source: no other supplier capable of fully meeting the requirements exists. Sole sources should be the exception, not the rule.

**COST/PRICE ANALYSIS (Section C)**

The University of New Haven also requires documentation verifying that all purchase requests represent sound business decisions and that prices are fair and reasonable. The administrator must conduct a cost/price analysis for all non-competitive purchase requests and fully document this analysis for purchase requests $10,000 and over. Documentation can be based on the price of previous and similar purchases, current price lists, catalogs, advertisements and negotiated pricing agreements (supplier partnerships).