

Competition

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Competition

What does “competition” in Procurement mean?

Competition is the act of creating a “level playing field” for multiple suppliers to propose solutions or offer quotes/proposals for specific needs, and to evaluate those quotes/proposals fairly to determine the best possible solution for the University. Competition should be sought to the maximum feasible degree and purchases should be made from diverse businesses in order to promote economic growth.

For our daily procurement purposes, competition means the unprejudiced act of soliciting quotes from qualified sources (including appropriately certified businesses) in order to obtain fair and reasonable pricing for the University.



Competition does not mean selecting the lowest price quote for every purchase. Following modules will go into more detail about competitive requirements proper vendor selection.

Competition Requirements

Depending on the value of the purchase, the University applies different requirements for competition.

For purchases up to \$10,000, the University, following the practices of the state, requires a minimum of ONE (1) quote from an appropriately Department of Small Business and Supplier Diversity (DSBSD) certified business prior to purchasing. This is referred to as the University's "Single Quote Limit."

For purchases between \$10,000 - \$200,000, the University requires more competition that must be performed according to the procedures set forth in the Small Purchase Procedures for Goods and Non-Professional Services based on the method of procurement.

Purchases that are not made on an existing contract over \$10,000 MUST go through Procurement Services.

Exceptions to Competitive Requirements

While the goal is to create a maximum competitive environment, it is understood that competition may not normally be considered *practicable* or *available* for some commodities.

Therefore, the state and the University have identified certain commodities that do not require further competition, and UMW has compiled these into “Exemption Tables” within the University’s Small Purchase Procedures for Goods and Non-Professional Services based on a combination of exempt requirements.

Category B and C Exemption Tables do not require further competition.



Competition Exemption Tables

CATEGORY B Competition (Purchase or Quote from DSBSD-certified business) is <u>NOT</u> Required [GL09]; eVA Entry <u>IS</u> Required [GL10]	
#	Purchasing Category
B1	Academic/research and consulting services (for any consulting services, contact Procurement Services) Consulting Services Request Form
B2	Art; original works of art; and original, or authentic antique period art frames (does not include newly created replacement or reproduction frames).
B3	Books, pre-printed materials, reprints, pre-recorded audio, performance rights and video media, etc., when only available from the publisher/producer (e.g. movie or play licensing).
B4	Conference facilities (to include conference support and related lodging and meals) only when the use of a specific facility is directed by an outside donor, sponsor or organization.
B5	Facilitators and Mediators
B6	Maintenance contracts for high-cost, sophisticated equipment where there is no known competitor and service must be purchased from the manufacturer of the equipment (i.e., void warranty)
B7	Photographers (other than graduation and yearbook photographers)
B8	Rare and historic manuscripts, printed and photographic materials (e.g. books, ephemera, maps, manuscripts, photographs, and prints), that are one of a kind or exist in very limited supply
B9	Royalties and film rentals when only available from the producer or protected distributors.
B10	Specialized software, website or browser plugins, website or desktop applications or subscriptions, electronic databases, software-as-a-service (SAAS), mobile apps, and maintenance or upgrades for software already purchased and in use at the University. Any and all software purchases require IT approval before purchasing.
B11	Subscriptions: Print or electronic (books, magazines, etc.)
B12	Training that is specialized, proprietary (i.e. owned by one supplier), or <u>not typically available to the general public</u> and for which competition is generally unavailable.
B13	Used <ul style="list-style-type: none"> • Goods (props, costumes, books, DVDs, etc.) • Equipment - <i>requires written approval by Procurement Services in advance of the purchase (e.g. vehicles, musical instruments, machines, etc.)</i>
B14	Writers

Here are examples of those tables. The items in these tables may change from time to time as legislation and other procurement laws and policies are updated. Please refer to the [Small Purchase Procedures website](#) for the most accurate information.

CATEGORY C

Competition (Purchase or Quote from DSBSD-certified business) is NOT Required [GL09];
eVA Entry is NOT Required [GL10]

#	Purchasing Category
C1	Accreditation fees, academic testing, tests and evaluations
C2	Advertisements in newspapers, magazines, journals, radio or television or other multimedia sources.
C3	Artists/ <u>Entertainment</u> : Artists (when creating and providing original works), speakers, lecturers, musicians, performing artists, designers (e.g. set designers, musical design/composition, sound design artists), choreographers, and videographers. <i>Graphic design (print) must go through Design Services.</i> *UMW employees require advance approval and routing through Payroll's "Special Pay" process.
C4	Athletics: <ul style="list-style-type: none"> • Fees associated with entrance and participation in intercollegiate athletic tournaments and events including team lodging, registration and game guarantees for all athletic events. • Referees, officials and umpires for intercollegiate athletic events. • Unplanned and unanticipated travel and travel-related expenses when incurred by the Athletic Department while traveling.
C5	Business and/or financial transactions to which public procurement regulations do not apply. (e.g., debt service payments, Medicare and Medicaid payments, and child support payments)
C6	Conference Registration including space reservation/rental fees
C7	Contributions and donations made by a university, if to other public bodies or tax-exempt non-profit organizations.
C8	Exhibition Rental Fees for exhibitions of historical artifacts or original works of art. (The Rental fee may include charges other than the rental of the exhibition, such as transportation costs and/or special packaging/crating.)
C9	Financing when goods/services procured from one source are being financed by another (i.e., third party) source. The financing exclusion does not apply to lease purchases.
C10	Honoraria

C11	Individuals providing instructional services in conjunction with a contract between institutions of higher education, including community colleges, and a local business or industry for non-credit workforce development classes to be provided by the institution of higher education.
C12	International Purchases: Purchases made by a university employee or agent while located in another country and the required goods/services are purchased from a supplier located in that country (over-the-counter).
C13	Professional organization and association membership dues/fees
C14	Real Estate Leases
C15	Sponsored research grant sub-awards and contract sub-awards, <i>not to include the purchase of goods or services by the Institution</i>
C16	The purchase of goods or services that are produced or performed by or related to: <ol style="list-style-type: none"> b. Persons, or in schools or workshops, under the supervision of the Virginia Department for the Blind and Vision Impaired; c. Nonprofit sheltered workshops or other nonprofit organizations that offer transitional or supported employment service serving the handicapped; d. Private educational institutions; or e. Other public educational institutions
C17	Training that is taken through a professional organization to which membership is typically required and where payment is made directly to that organization which is sponsoring the training. A "professional organization" is generally defined as a group of professional individuals in a like occupation charged with educating, certifying, and lobbying for its members. (Examples include: National Education Association (NEA), Computing Technology Industry Association (CompTIA), American Library Association (ALA), etc.)
C18	Travel (including taxis and shuttles) and lodging for individuals, and groups (two or more individuals) up to \$100,000 per group travel event. Follow UMW travel regulations. Contracted transportation such as <u>charter bus requires eVA entry</u> . All travel and lodging requires Chrome River entry.
C19	Utility charges (electric, natural gas, water, sewer, and internet)

Exercise 1

For purchases up to \$10,000, what is the minimum number of quotes you are required to get from appropriately certified businesses?

Go to the next slide for the answer.

Exercise 1

Answer:

One. Only one quote is needed from an appropriately certified business (micro business), prior to purchasing, for goods and services valued up to \$10,000. This is referred to as the University's SINGLE Quote Limit.

Exercise 2

True or False:

The definition of Competition is purchasing from the lowest priced vendor.

Go to the next slide for the answer.

Exercise 2

Answer:

False. Competition is the act of creating a level-playing field for vendors to propose quotes or solutions to agencies and have those quotes be evaluated fairly for award.