

# *Certified Business Quote Requirements*

*For Purchases \$200,000 and Under*

*Updated July 2020*

# Certified Business Quote Requirements for Small Purchases

For all small purchases that are not purchased from a mandatory source, on an existing contract, or are not exempt from competition per the Small Purchase Procedures, the University must follow certain requirements for vendor selection and obtaining quotes prior to purchasing.

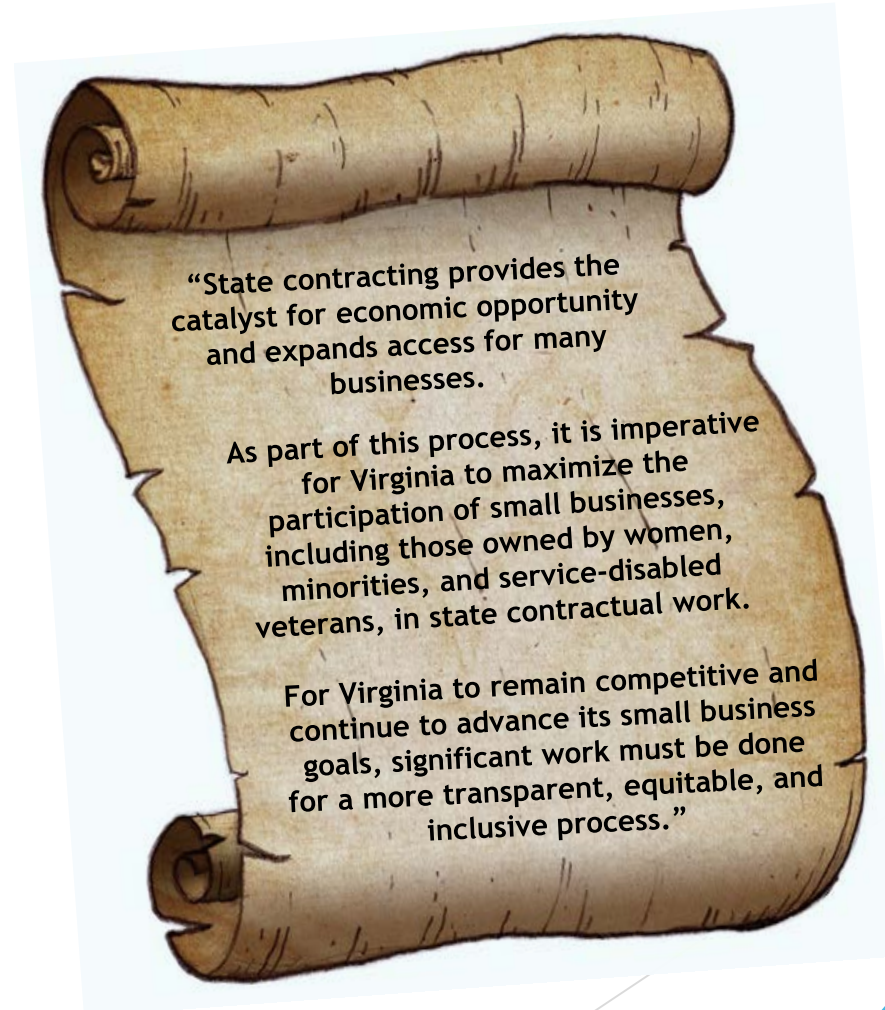
Virginia's Governor, Ralph Northam, set the standard guidelines within [Executive Order "EO" 35](#) for awarding purchases to certain businesses. These guidelines went into effect on July 3, 2019.



Commonwealth of Virginia  
Office of the Governor

*Executive Order*

**"Advancing Equity for Small-, Women-, Minority-, and Service-Disabled Veteran-Owned Businesses in State Contracting"**



# Procedures for Small Purchases \$10,000 and Under

The University has created the following procedures for small purchases, incorporating the directives within EO35.

## Purchases \$10,000 and Under

- ▶ Purchases \$10,000 and under, that are not made on a contract and are not listed on the competition exemption tables, are to be made from a DSBSD-certified **Micro** business. If the quoted price from the DSBSD-certified **micro** business is fair and reasonable based on market research and does not exceed the quoted price from a non-certified business by more than 5%, the purchase must be made from the DSBSD-certified **micro** business.
- ▶ If the lowest quote from the DSBSD-certified micro business does not meet the required specifications or exceeds the lowest responsive and responsible quote by more than 5%, UMW will document the procurement record to that effect, including stating the basis for the determination.

# Procedures for Small Purchases Between \$10,000 & \$200,000

The Procedures for Small Purchases are different dependent on dollar value and criteria for purchase award.

For Purchases between \$10,000 and \$200,000 not being made on an available contract and are not listed on the competition exemption tables:

- ▶ Where the **award is exclusively predicated on cost**, and clearly defined quantities and specifications are available:
  - ▶ UMW will solicit DSBSD-certified small business sources, if available.
  - ▶ If the purchase is exclusively predicated on cost, UMW will solicit DSBSD-certified **small** business sources, if available.
  - ▶ If the quoted price from the certified small business is fair and reasonable based on market research and does not exceed the quoted price from a non-certified business by more than 5%, the purchase **must** be made with the DSBSD-certified **small** business.
  - ▶ If the lowest quote from the DSBSD-certified small business does not meet the required specifications or exceeds the lowest responsive and responsible quote by more than 5%, and/or less than four (4) DSBSD-certified small businesses are available, UMW will document the procurement record to that effect, including stating the basis for the determination.
- ▶ Where **award of the purchase is based on a variety of criteria**, including but not limited to price, and where best overall value to the University may be considered:
  - ▶ UMW will solicit DSBSD-certified small business sources, if available. Availability of DSBSD-certified small businesses shall be documented in the procurement file.

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

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## Exercise 1

Executive Order 35 requires that award preference for purchases valued up to \$10,000 be given to what DSBSD-certified businesses?

Go to the next slide to show the answer.

## Exercise 1

Answer:

Micro Businesses.

## Exercise 2

Scenario:

You are asked to purchase a particular widget that you need by July 1. You get quotes from two businesses:

- ▶ Business A: Certified Micro business. Quotes you for \$587.25 with a June 23<sup>rd</sup> delivery date.
- ▶ Business B: Non-certified business. Quotes you for \$562.25 with a June 22<sup>nd</sup> delivery date.

Which business do you award your purchase to?

Go to the next slide to show the answer.

## Exercise 2

Answer:

Business A. Business A is a certified micro business that meets all your needs and is within 5% of the total cost of a non-certified business.