

UC Berkeley - Supply Chain Management
Order documentation and bidding guidelines

Due to Federal and State or UC Regulations, backup documentation is required for audits. When processing requisitions, your Buyer will need the following PO documents to be compliant for audit. Please visit the procurement forms website for guidance on different [goods and services](#) categories.

For [Amendments & Change Orders](#), back up documentation is needed when there is an increase in funds or a material change to the Statement of Work. Time extensions don't need back up documentation unless the insurance has expired.

Procurement Forms

1. **UCOP Source Selection & Price Reasonableness (SSPR) Justification Form** - Department to include a written justification explaining business purpose, why this source for the service was selected, and how it was determined that the price is reasonable for orders. Note that requests that exceed \$100,000 per year will need to be competitively bid. Department to fill out to satisfy Federal or State procurement audit requirements Federally Funded purchases $\geq \$10,000$ and Non-Federally Funded purchases $\geq \$100,000$
2. **Statement of work** - Department develops to clearly define the services holding the Supplier accountable to any required deliverables, IP ownership, Data Security, etc.
3. **Suppliers proposal** - Supplier to provide based on the elements in the SOW Written proposal, dated, on supplier letterhead, that identifies the pricing, deliverables, and timeframe for the goods or services as defined in the SOW. Identify any exceptions or UC dependencies that are needed for the Supplier to perform the services. It should link fees charged to scheduled deliverables and timeframes. Hourly rates should be used only as a means of determining a fee. It should include the Supplier and UC contact information.
4. **Conflict of interest** - Supplier to fill out
5. **Classification worksheet for Federal Tax Purposes** - Department to fill out to determine an individual's status as an employee or Independent Contractor prior to an engagement.
6. **CA partial tax exemption form** – Department to fill out for research equipment orders
7. **Insurance** - Department to provide, if possible, Prior to providing services to the University, Suppliers must furnish the University with current certificates of insurance.
8. **Formal Notice Pursuant to University Guidelines on Contracting for Services** – Department to fill out for any services that may result in the displacement of University staff.
9. **Strategic Technology Acquisition** – Department to fill out for Technology purchases over \$100,000
10. **Federal Funds:**
 - a. **UCOP Cost and Profit Analysis Form** – Department to complete or work with Supplier to gather information
 - b. **UCOP Certified Cost or Pricing Data** – Supplier to complete

Orders over 100K

Work with your Buyer to determine if the goods and/or services are exempt from bidding requirements.

Funding Source	\$0 - \$10,000.00	\$10,000.01 - \$99,999.99	$\geq \$100,000.00$	$< \$250,000.00$
Federal	No competition required if the price is reasonable (informal competition encouraged)	Informal competitive proposals required from three or more sources*	Formal RFx solicitation conducted by Supply Chain Management required**	Certified Diverse Business informal competitive proposals required from 2 or more like diverse classifications. FAR (15 U.S.C. 631)
Non-Federal	No competition required if the price is reasonable (informal competition encouraged)	Informal competitive proposals encouraged from three or more sources	Formal RFx solicitation conducted by Supply Chain Management required**	Certified Small Business (Diverse) informal competitive proposals required from 2 or more like diverse classifications. PCC (10508.5)

Reasonable Price

A price is one that does not exceed that which would be incurred by a prudent person in the conduct of a competitive business. Reasonable price can be established by market test, price or cost analysis, or the experience and judgment of the Supply Chain Buyer. Such judgment considers total value to the University. There is value to the University in purchases which meet the University's needs, such as those involving quality, quantity, delivery and service. A reasonable price need not be the lowest price available, but is one which offers the highest total value to the University.

Exemptions to Competitive Bidding

UC Berkeley is committed to a policy of competitive procurement and contracting when competition is known to exist. However, there are certain cases where departments may be granted a bid exemption.

A [UCOP Source Selection & Price Reasonableness \(SSPR\) Justification Form](#) must be completed by the requesting department to substantiate the appropriateness of a bid exemption request for all Federally Funded purchases $\geq \$10,000$ and **Non-Federally Funded** purchases $\geq \$100,000$ for federal and state audits. For more information on bid exemptions visit [UC Berkeley's Supply Chain Management Website](#).

Split Orders

Requirements for purchasing shall not be artificially divided into separate transactions to avoid competition as defined in [BFB-BUS-43 Purchases of Goods and Services](#);

Contact your Supply Chain Management [Buyer](#) for assistance with any competitive bidding questions.

The [SCM Supplier page](#) provides guidance for prospective Suppliers. Depending on the level of risk, the insurance amounts may vary. It is the Buyers responsibility to review the statement of work with Risk Services if there is an indication from the SOW that a review should be performed. Suppliers that don't already have insurance have the option of using the UC insurance program with Mercer where they pay a flat fee of \$500 (approx. cost) per year for General Liability insurance coverage.

*As required by [2 CFR § 200.320](#), departments must obtain three (3) competitive quotes, bids or proposals for a purchase transaction more than \$10,000.00.

**[California Public Contract Code \(PCC\), sections 10507.7 et seq.](#), requires the University of California to formally competitively bid the purchase of goods and/or services that exceed $\geq \$100,000$ per annual year unless an exception applies and the basis for the award is documented in writing. Requirements for goods and services should be publicly advertised.