**What is competitive bidding?**

 Competitive bidding is a process in which a public entity asks for vendors to bid on a listed project so that there can be fair competition and the entity can obtain a reasonable price. It is required when purchasing products and/or services of more than $100,000 annually, unless an exception applies.

**What are the exceptions to competitively bidding out goods or services?**

 If an exception applies, the department must submit a justification and approval form.

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| **Exception** | **Definition** |
| Sole Source Goods / Services | Only source that meets needs because they are either (1) unique, (2) available for only one source, or (3) are designed to match others used in or furnished to a particular installation, facility or location. |
| Professional Services | Highly specialized functions, typically of a technical nature, performed by a supplier that, with respect to the services, commonly (1) has a professional license, (2) is licensed by a regulatory body, and/or (3) is able to obtain professional errors and omissions insurance. |
| Personal Services | Technical or unique functions performed by a supplier that is distinctly qualified to render the services. |
| Unusual and Compelling Urgency | When there is only one supplier capable of meeting the University’s needs due to an emergency that precludes conventional planning and processing. |

**Are there any risks/consequences to competitive bidding noncompliance?**

 Yes. Noncompliance from competitive bidding can result in negative consequences such as California Public Records Act Requests, complaints and protests, cancellation of bid or contract, court proceedings, penalties or fines, state audit, and bad publicity.

**How are bids evaluated/awarded?**

 First, it is the practice of the University of California to award contracts at the lowest overall total cost or best value, as applicable, while affording the maximum opportunity practicable to those who wish to become suppliers to the University.

**What are the competitive bidding solicitation methods?**

 There are 4 methods: Request for Information (RFI), Request for Quote (RFQ), Request for Proposal (RFP), and Reverse Auction.

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| **RFx Type:** | **Request For Information (RFI)** | **Request For Quote (RFQ)** | **Request For Proposal (RFP)** | **Reverse Auction** |
| Purpose | Obtain general information from suppliers about products, services or suppliers; develop list of qualified suppliers or to down-select prior to pricing solicitation | Invite suppliers to provide a quote for specified products or services | Invite suppliers to bid on products or services | Drive incremental benefit through real-time competition |
| Used For | Any product, service, or category | Highly Standardized or Commoditized Products or Services | Any product, service or category which qualitative factors are important | Highly Standardized or Commoditized Products |
| Used When | Seeking insight from supplier community that is not otherwise available, or when looking to identify qualified suppliers; information request | Price is the only factor  | Quality is an important factor in supplier selection | Competitive market; at least 3 suppliers included in the event; clearly defined purchase requirements; pre-qualified suppliers identified using an RFx |
| Benefits | Used prior to strategy development or prior to solicitation | Immediate results | Request and receive details on important qualitative selection factors; Evaluation considers input from a broad spectrum of functional experts ensuring that the solution chosen will suit requirements | Real-time bidding; Conducted on an eProcurement platform |
| Challenges | Not binding on the UC or a supplier | Qualitative factors not considered in selection; lowest bidder may not be the best solution | Lengthier than other methods | Qualitative factors not considered in selection; lowest bidder may not be the best solution |

**How long does a Request for Proposals take?**

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| --- | --- | --- | --- | --- |
|  | **EXPRESS** | **SIMPLE** | **AVERAGE** | **COMPLEX** |
| No. of Weeks | 9.0 | 13.5 | 20.5 | 28.5 |
| No. of Months | 2.1 | 3.1 | 4.8 | 6.6 |

It depends. The timeline for RFP’s depends on the complexity of the procurement/sourcing transaction. On average, a RFP can take 20.5 weeks (or 4.8 months) to complete.