

UNIVERSITY OF MINNESOTA

Twin Cities Campus

Capital Planning and Project Management
University Services

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February 27, 2007

To: CPPM Staff

From: Michael Perkins, Associate Vice President of CPPM
Denis Larson, CPPM & FM Purchasing Manager



RE: New Bid Thresholds

The Board of Regents reviewed and approved increases in bid threshold in December. New bid thresholds and effective dates are noted in the table below:

Bid Threshold Type	Old Limit	New Limit	Effective Date
• Construction	\$10,000	\$249,999	Immediately
• A&E	\$50,000	\$100,000	Immediately
• Goods & Standard Services	\$10,000	\$49,999	March 1, 2007
• U-Wide Contracts	\$99,000	\$249,000	Immediately

Central Purchasing has developed a modified and expedited process for purchase requests below the new bid limits. These are further described in the paragraphs that follow.

Construction Services

Complete the attached form, *Price Comparison for Construction Projects*, for purchases ranging from \$2,000 to \$249,999 and forward to Purchasing with supporting documentation (copies of the quotes, etc).

A&E Services

Complete the attached form, *Basis of Selection for Primary Consultant on Design and Construction Projects*, for all A & E purchases over \$10,000. Provide Purchasing with a justification for the "reasonableness of price" and "basis of selection" for every purchase. The justification should be attached to the PRQ and the supporting documents you give to Purchasing. This form is available on the K drive at k: /PROC/PD/AE-Consultant Proposal Forms/Instructions/AE-Consultant Basis of Selection

Goods and Standard Services

Documents for processing Goods and Standard Services are at the Purchasing web site, <http://purchasing.umn.edu/forms/forms.php#price>, or click directly on the links below to obtain instructions on the new procedures.

- New Bid Threshold
- Price Comparison for Purchases of Goods & Standard Services \$10,000 to \$49,999 (Ms Word)

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You may find these tips helpful when purchasing *Goods and Standard Services*.

- Request the vendors to provide an itemized quote
- Obtain vendor agreement to the University's five pages of Terms and Conditions, which can be emailed, to them. The web link is:

<http://www.ogc1.umn.edu/stellent/groups/ogc/documents/contract/ogc-sc505A.doc>

For further information or clarification, contact Denis Larson at phone extension 5-5554 or email him at d-lars@umn.edu. I would also appreciate hearing your comments on the processes for purchases under the new bid limits once you have become familiar with and have used the new processes.