

How to do Business with West Virginia University

Introduction

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The purpose of this presentation is to provide a generalized overview of what is required to be a successful supplier at WVU, including registration, purchase order and contract creation, solicitations, and payment.

Definitions

- **Commodities/Goods** – will be used interchangeably but difference is in location in supply chain; goods are tangible merchandise or possessions (desks, chairs, wrench) whereas commodities are things that can be bought and sold that has similarities to the others (87 octane, coal, water)
- **Services** – consulting firms, architectural firms, guest speakers, repairs, cleaning
- **Construction** – defined by State Code §5-22-1 as the act, trade, or process of building, erecting, constructing, adding, repairing, remodeling, rehabilitating, reconstructing, altering, converting, improving, expanding, or demolishing of a building, structure, facility, road, or highway

Supplier Registration

- All suppliers must be registered and added to WVU's supplier Masterfile before a purchase order or payment can be issued
- A completed W9 is required to complete the registration process
 - **W-9** – IRS form - Request for Taxpayer Identification Number and Certification
 - WVU Payment Services or the specific department receiving the goods/services will request a completed W9 from the supplier directly

Procurement, Contracting & Payment Services

- Departments within Procurement, Contracting & Payment Services:

<https://procurement.wvu.edu/home>

- Mail Services – Intercampus Mail Service
- Payment Services – pcpsap@mail.wvu.edu
- Procurement – Centralized/Decentralized
- Procurement Information Systems – pcps@mail.wvu.edu
- Purchasing Card (Pcard) and Disbursements
- Supplier Registration
- Supplier Relationship Management
- Travel Management

Terms and Conditions

As a State Agency, WVU is bound by certain terms and conditions established by governing bodies:

- State Code <http://www.wvlegislature.gov/wvcode/code.cfm>
- Constitution <http://www.wvlegislature.gov/wvcode/code.cfm>
- Code of State Rules (CSR) <https://apps.sos.wv.gov/adlaw/csr/>
- State Auditor <https://www.wvsao.gov/>
- Attorney General <https://ago.wv.gov/Pages/default.aspx>

Terms and Conditions

Business Decisions versus Legal Decisions

- Procurement in conjunction with departments and end users, is permitted to make business decisions.
- Legal decisions must be negotiated by WVU's Legal Department and/or the Attorney General; these may include, but not be limited to:
 - Indemnification/hold harmless
 - Liability
 - Governing Law
 - Waivers

Thresholds

- WVU, as a R1, or “very high research activity” institution, is provided exception to the State Bid Threshold of Twenty-Five Thousand Dollars (\$25,000):
 - Per §18B-5-4(5), Commodities and Services is Fifty Thousand Dollars (\$50,000)
 - Per §18B-5-4a, Construction is One Hundred Thousand Dollars (\$100,000)
 - Anything below these thresholds may be informally quoted; anything above must be formally bid.

Requests for Quotations (RFQ) - Informal

Purchasing in the open market, shall be, whenever possible, based on at least three competitive bids

- “No Bid” does not constitute a bid; simply says supplier did not wish to participate.
- Used for the procurement of Commodities/Goods, Services, and Construction.
- Quotes may be attained by either the departments or Procurement.

Requests for Quotations (RFQ) - Informal

Quotes, Proposals, Estimates, Pro-Forma Invoices, etc. should contain the following:

- Date
- Cost
- Description of Commodities, Services, or Scope/Statement of Work
- Unit of Measure
- Unit Cost and Extended Cost
- Delivery/Freight terms

Requests for Bids (RFB) - Formal

Used when specifications or scope are clearly defined

- May specify particular brand/make/model to maintain consistency and commonality of parts
- Manufacturer's names, trade names, brand names, or catalog numbers may be used to describe the standard of quality, performance, and/or desired characteristics
- Request for equivalency must be submitted before the cutoff for questions to allow determination
 - Must contain cut sheets, specifications, and/or salient characteristics to accurately describe offer

Requests for Bids (RFB) - Formal

Typical Bidding Process:

- Issue solicitation allowing at least two weeks of advertisement
- Site visit when applicable
- Cutoff for questions
- Tabulation posted
- PO/Contract Creation

Requests for Bids (RFP) - Formal

Used when request requires technical expertise, specialized capabilities, or when scope/specifications are not or cannot be clearly defined; cost is not the sole determining factor

- Qualitative based in that whole value or total value is used to determine successful respondent
- A University created committee consisting of internal stakeholders will evaluate
- Respondents are provided the criteria of evaluation and some degree of what the University expects

Requests for Proposals (RFP) - Formal

Typical Proposal Process:

- Issue solicitation
- Site visit when applicable
- Cutoff for questions
- Solicitation due
- Committee evaluates

Requests for Proposals (RFP) - Formal

Typical Proposal Process (cont'd):

- Consensus score tabulated
- Notify successful and unsuccessful respondents; provide unsuccessful respondents with feedback to improve for next solicitation
 - Potential interviews or second round
 - Successful and unsuccessful notified
- PO/Contract Creation

RFQ's, RFP's, and RFB's – Time

RFQ's

- Approximately one to three weeks – successful and unsuccessful may be notified but amounts not provided

RFB's

- Approximately three to four weeks excepting any unforeseen issues (funding sources, paperwork, registration, etc.)

RFP's

- Approximately three to four weeks excepting any unforeseen issues (funding sources, paperwork, registration, assuming interviews or second round do not happen etc.).

Purchase Order versus Contract

- Official University sanctioned PO's having numbering scheme MM000xxxxxx and are governed by the University's standard and construction terms and conditions (depending on purchase).
- Official University sanctioned contracts have numbering scheme U, fiscal year, naming feature
- PO's are used for single, small dollar purchases with its own terms and conditions, identifying product or service, delivery, unit of measure, freight terms, and other items associated with individual purchase
- Contracts are used for construction, multi-year, or high dollar purchases that were competitively solicited with agreed upon terms and conditions

Purchase Order versus Contract

- PO's may be issued against contracts to procure contractual items and/or services; the terms and conditions of the contract will supersede the PO terms and conditions
 - PO still establishes product or service, unit cost, part number, extended cost, or any other identifiers specified in the contract
 - PO is utilized as a payment mechanism and abides by terms and conditions established by contract.
 - Examples: Furniture, blanket order(s), architectural/engineering services

Purchase Order



- NEED PO FOR PAYMENT – No PO, No Payment
- PO acts as promissory note from agency that payment will be made for services rendered
- The University is not obligated to pay an invoice if a purchase order cannot be produced

Purchase Order Documentation

The following are either WVU or State required documents for the creation of a PO:

- Commodities/Goods – Quotes and Purchasing Affidavit
- Services – Quote and Purchasing Affidavit; if coming on site, Certificate of Insurance
- Construction – Quote, Purchasing Affidavit, Certificate of Insurance, State Licensure, and City Licensure (when applicable)

Purchase Order Documentation

Certificate of Insurance

Document evidencing insurance coverage including auto, liability, workers compensation, and builders risk when applicable

- Must list WVU as additionally insured
- Provide cancellation clause (typically 30 days)
- WVU Procurement Contracting & Payment Services listed as the certificate holder



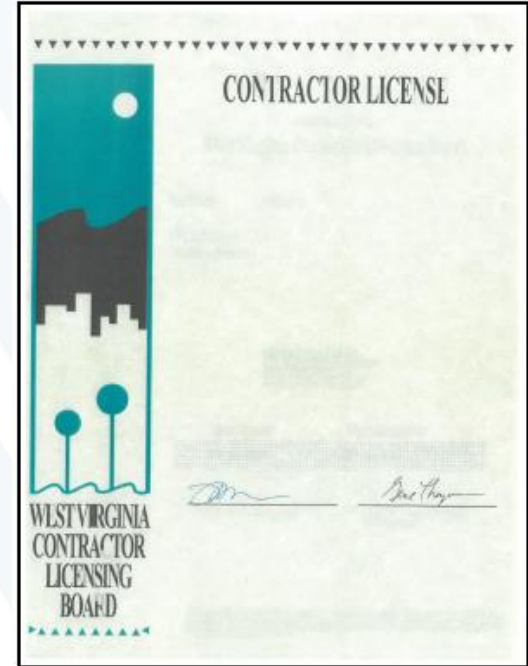
The image shows a standard ACORD Certificate of Liability Insurance form. The form is titled "ACORD CERTIFICATE OF LIABILITY INSURANCE" and includes fields for the insured's name, address, and contact information. It also contains a table for listing coverages, including sections for Commercial Auto, Commercial General Liability, and Workers Compensation. The form is filled out with specific details, including policy numbers and dates.

Purchase Order Documentation

State of West Virginia Contractor's License

Issued by the WV Division of Labor for a or multiple trade(s)

- <https://labor.wv.gov/Pages/default.aspx>
- Expires one calendar year from date of issuance



Purchase Order Documentation

City of Morgantown Contractor's License*

Issued by the City of Morgantown Finance Department

- <https://morgantownwv.gov/203/Business-Licenses>
- Expires June 30th of every year

** Most cities within the State of WV issue a contractors license*



The image shows a yellow document with two sections. The top section is a 'CONTRACTOR LICENSE' from the City of Morgantown Finance Department. It includes the city logo, contact information (200 Square St, Morgantown, West Virginia 26501), and a license number (7142818). The licensee is MAHREEM CORPORATION, located at 2225 GREATYKE RD, PITTSBURGH, PA, 15221. The license expires on 6/30/2018. The bottom section is a 'CUSTOMER RECEIPT' for the same license, showing a total amount due of \$0.00. It is signed by Day King and dated 5/13/2018. A circular seal is visible in the bottom right corner of the receipt section.

**CITY OF MORGANTOWN
CONTRACTOR LICENSE**
FINANCE DEPARTMENT
200 Square St, Morgantown, West Virginia 26501
Office: 304-253-3311 Fax: 304-284-7418
www.morgantownwv.gov

Expiry Date: 6/30/2018

MAHREEM CORPORATION
2225 GREATYKE RD
PITTSBURGH, PA, 15221

7142818

MAHREEM CORPORATION
2225 GREATYKE RD
1506

This is to certify that the applicant named herein is granted a license under the provisions of ordinances of the City of Morgantown, West Virginia, for the privilege of conducting the business, engaging in the activity, or operating the device for which the license herein described has been issued and collected, as indicated by the seal affixed below.

This certificate of license shall be posted in a conspicuous position, in the place where privileges of this license are exercised, and shall be available for inspection whenever required by the city police, director of finance, or upon demand.

CUSTOMER RECEIPT CITY OF MORGANTOWN

Total Amount Due: \$ 0.00

License Type: CONTRACTOR

QUANTITY	RECEIPT DESCRIPTION	TRANSACTION AMOUNT
1	CONTRACTOR LICENSE	00.00

By: *Day King*

Date: 5/13/2018

Quote/Proposal/Estimate

- If Commodities/Goods, must be itemized for payment
 - Six chairs at \$1.00 each = \$6.00
 - Four tables at \$3.00 each = \$12.00
- If Service, must have brief scope of service or description of work; may present extended cost as lump with secondary breakdown
- If Construction, must have brief scope of service or description of work; may present extended cost as lump sum with secondary breakdown

Quote/Proposal/Estimate

- If Construction/Repair greater than ten thousand dollars (\$10,000), must show breakdown of hourly rates, materials, consumables, and other items associated with cost.
 - Request breakdown on secondary page with cover page on company letterhead expressing work as single line, lump sum (relieving itemization requirement)
 - This promotes easier quoting, PO creation, and subsequent invoicing
 - Breakdown is for budgetary purposes in the event a change order is required

Invoicing

- All invoices must be submitted electronically:
 - WVU's preference is to submit invoices through the Supplier Portal in Mountaineer Marketplace – contact pcps@mail.wvu.edu to sign up
 - If unable to use the Supplier Portal, invoices must be sent to WVU Payment Services at pcpsap@mail.wvu.edu
- WVU requires a three-way match for payment:
 - items ordered = items received = items invoiced

Invoice Requirements

Invoices must meet the following requirements:

- Contain WVU generated PO number (MM000xxxxxx)
- Include an invoice number
- Match the supplier name and address on PO
- Match the PO in requested commodity or service
 - A PO for widget model no. 123, cannot invoice for widget model no. 987
 - If lump sum on a PO, invoices cannot have multiple lines

Payment

- As a State Agency, all WVU payments originate from the State of WV's Treasurer's Office in Charleston, WV
- Payments from purchase order invoices may come in four different ways, each with their own approximate time – check, electronic, virtual card, or wire

Payment Methods

Check

- Issued 30 days from invoice date
- Checks are cut on Mondays (excluding holidays)
- Allow time for check to be mailed to your organization

Electronic Funds Transfer (EFT)

- Issued 30 days from invoice date
- Faster than check
- Supplier must register for direct deposit with the State of WV:
<https://www.wvsao.gov/ElectronicPayments/Default>

Payment Methods

Virtual Cards

- One time use credit card information is sent to supplier
- Payment sent to supplier as soon as receiving is completed and invoice is approved
- Considerably quicker than physical check or EFT
- Contact pcps@mail.wvu.edu to sign up

Wire Transfers

- Restricted to only certain circumstances
 - No other form of payment is accepted
 - Non-negotiable deadlines
- Requires additional documentation from the supplier

Doing Business with WVU – Take-Aways

- Value Added – what makes your organization different from others?
- Be flexible and responsive
- Do your homework – understand and have knowledge of the University environment and how your product or service can help WVU, the student experience, research or the community at large
- Fiscal responsibility – reducing cost and/or adding value
- Communication

Contacts and Important Sites

- West Virginia University
 - <https://www.wvu.edu>
- Procurement, Contracting & Payment Services
 - <https://procurement.wvu.edu/>
- WVU Bid Site
 - <https://bids.sciquest.com/apps/Router/PublicEvent?CustomerOrg=WVUMarketplace>
- Facilities & Services
 - <https://facilitiesmanagement.wvu.edu/>