

## Departments Guide and Checklist for Informal Bid

Informal Bids – Purchase value of \$50,000.01 - \$100,000 (contract term not to exceed five years)

Amounts over \$100,000 will require a formal solicitation. Contact Procurement and Strategic Sourcing (P&SS). Solicitations may not be split in an effort to circumvent the formal solicitation process for the values over \$100,000.

### **Before Conducting an Informal Bid - (Think about before you start):**

1. Ensure your budget has sufficient funds to pay for the goods or service.
2. Is there an existing Texas State University (TXST), State, or Cooperative contract in place that could provide the good or service, you must use the existing contract.
3. Look in the TSUS Marketplace to see if there is a catalogue or non-catalogue vendor that could provide the good or service. If so, you must use the Marketplace.
4. Review the writing guidelines for writing better specifications below.

### **Guidelines to Know Before Beginning:**

1. The bidding opportunity is not required to be publicly posted.
2. All University policy and procedures apply, and departments are encouraged to review relevant policies before starting an informal bid.
3. When interacting with suppliers, make it clear that you are seeking quotes only, and that you cannot make a binding commitment (i.e., you are not placing an order).
4. If you have specific requirements, mention them in your bid. If you did not mention them in your specifications and want them after the bids are received, you will have to rebid to all vendors you solicited making sure you mention the missing requirement.
  - Examples:
    - If you are seeking bids on goods, and you want to take the suppliers' warranty into consideration, you must mention this in your specifications.
    - If delivery date is a consideration, you must list that in your specifications.
5. Departments shall seek bids from at least **three** suppliers, with at least **two** being a Texas Certified VetHUB from vendors on the Comptrollers Centralized Master Bidders List (CMBL).
6. If delivery time is a factor in the award, then departments must communicate this to the potential suppliers during the bid.
7. Develop sufficiently clear specifications to define what goods and services you want to procure.
8. Write specifications in an objective manner.
9. Allow competition between products of equal quality.
10. Bids obtained from suppliers and submitted to P&SS must be for the same specifications.
11. If you modify the specifications after sending them to the vendors, the bidding process will start over.
12. Include all requirements (ex. design, installation, warranties, maintenance, and shipping) in your specifications.
13. Require suppliers to include an individual line-item breakdown in their response for all possible costs involved in the supplier's goods or service (for example, delivery, installation, etc.).
14. Informal bid requests must be in writing (email, fax, or letter). The university encourages departments to use email, as this reduces costs and increases the efficiency and effectiveness of the informal bid process.
15. Telephone bids and website screenshots are not acceptable.
16. If a department seeks quotes on used or refurbished equipment, the department must also obtain quotes on new equipment. If the department wants to proceed with the procurement of used or refurbished equipment, it

must provide a statement attesting to the viability of the equipment, see Procurement Handbook, Section 7.1 for additional information and requirements.

17. If a department seeks quotes on leasing an item, the department must seek a quote on buying the item.
18. Departments must use the [Informal Bid Form](#), and submit this with each requisition or TSUS Marketplace Contract Request (if there are terms and conditions).
19. After the award, the Department will need to send the vendor a PaymentWorks invitation, if not currently in PaymentWorks or SAP. See SAP TCode ZMK03 - Display Vendor.
20. In the event that a department wants to award a bidder who is not the lowest bidder, the department must provide justification with the Informal Bid Form.
21. The department may not share any bid information from any bidder to any party outside of TXST.
22. Department shall notify the vendor that they were awarded the bid.
23. Ensure your contact information is included in your email request. Name, Department, Phone, Email.

**Ready to Begin - Bid Instructions:**

1. Write specifications (see writing guidelines for additional information below).
2. Solicit a minimum of **three** bids, with at least **two** being a Texas Certified VetHUB supplier from vendors on the Comptrollers [CMBL](#). (see [How to Search CMBL](#)). You may include additional vendors not on the CMBL. For assistance in searching the CMBL, please contact the VetHub Specialist at [HUB@txstate.edu](mailto:HUB@txstate.edu).
3. Give suppliers adequate time to respond to your request for a quote (we recommend setting a deadline for their response of 4-6 business days). The deadline for response must be the same for all suppliers.
4. Ask suppliers for discounts applicable to institutions of higher education.
5. Be sure to send the supplier the applicable tax exemption information.
6. Do not share a supplier's information, communications, responses, etc. with other suppliers.

**Required Information from the Supplier:**

1. A substantive quote that is responsive to the departments' specifications.
2. Shipping terms. If
  - FOB [place of origin], Freight Collect
  - FOB [place of origin], Freight Prepaid
  - FOB [place of destination], Freight Collect
  - FOB [place of destination], Freight Prepaid
3. All possible costs including all fees for shipping and delivery, installation, set-up, removal, etc. (Note: if exact shipping costs are not known, ask for all suppliers to estimate the maximum possible shipping costs).
4. All costs must be itemized in the bid response or quote.
5. Note, telephone bids and website screenshots are not acceptable.

**After the Bid:**

To process an informal bid correctly, you must:

1. Send the awarded vendor a PaymentWorks invite if a vendor does not exist in SAP.
2. Fill in and attach the [Informal Bid Form](#).
3. Attach the following documents in PDF format to the purchasing requisition or TSUS Marketplace Contract Request (if there are terms and conditions):
  - Informal Bid Form (bid tab)
  - Email that shows invitation for bid showing all recipients. (Preference is to send one email to all vendors at the same time).
  - Each bid/quote response received from vendor(s):
    - o Name all respective vendor responses accordingly, Bid – Vendor Name.

- o Attach all vendor correspondence behind each perspective bid/quote.
- 4. The P&SS Office may solicit additional bids if it determines that there are university preferred vendors capable of providing the good or service.
- 5. The P&SS Office has the right to make final decision based on best value determination.

**Failure to Comply with Informal Bid Rules:**

P&SS will inform the appropriate Account Manager or designee of any department staff who fail to comply with the rules (see below) and applicable university policies. Failure to do so may result in a department’s informal bid privileges being suspended (temporarily) or revoked (permanently) and may also subject the individual employee(s) to disciplinary action. In limited circumstances, Texas law may deem certain behavior criminal conduct, such as an employee selling goods to the University, or an employee accepting bribes or kickbacks from a supplier.

**Rules of Ethics:**

The following rules of ethics govern all informal bids:

1. Faculty and Staff shall ensure that their department follows all applicable university policies and procedures (including, but not limited to, the Conflict of Interest, Standard of Conduct, Code of Ethics, and Conflict of Commitment policies).
2. All departmental staff involved in seeking informal bids or communicating with suppliers must keep their [Texas State Procurement Certification Statements](#) current.
3. Staff shall refrain from soliciting or accepting money, loans, credits, or prejudicial discounts (i.e., discounts that are not available to the entire University or general public).
4. Further, department faculty and staff shall refrain from accepting gifts, entertainment, favors or services from present or potential suppliers, which might influence, or appear to influence procurement decisions.
5. Supplier-paid site visits or training for university employees are not allowed unless stipulated as part of a formal supplier contract that was reviewed and approved by P&SS.
6. Faculty and Staff shall conduct business with potential and current suppliers in an atmosphere of good faith.
7. Faculty and Staff shall promote honest and positive relationships with suppliers by being courteous and impartial.
8. Faculty and staff shall give all suppliers who submit responses fair and equitable consideration.
9. Faculty and staff must give all suppliers for each bid the same information. Departments shall not engage in giving a particular supplier or suppliers “insider information” (i.e., information that is not shared with all suppliers, or given in advance of the solicitation).
10. Department Faculty and staff shall not:
  - inform a bidder that they are the lowest bidder, we only refer to the vendor selected to provide the good or service, as the vendor awarded the bid.
  - discuss other suppliers’ responses with any other supplier.
  - communicate the results with suppliers.
  - share a supplier’s information, communication, or bid response with any other supplier.

**Writing Guidelines:**

1. Use objective characteristics and use generic/common descriptions for goods or services. For example, do not say “Kleenex,” say “facial tissues.”
2. Be clear and precise, avoid ambiguity (ambiguity is when a word is reasonably interpreted to mean more than one thing). For example, “tall” and “should” are ambiguous.
3. When specifying compliance with certain industry test methods or standards, include attachments or links where these documents may be obtained.

4. When sizes, weights, speeds, etc. are a part of the specification, determine if a range is acceptable then indicate minimums, maximums or approximates.
5. Be sure to include who is responsible for shipping costs.
6. Give P&SS as much information as possible (for example, if you bid items for an existing piece of equipment, include the PO number for the existing equipment, if applicable).
7. Indicate the appropriate unit of measure (e.g., liters, feet, etc.). If you say “box” or “package,” be sure to specify how many units should be in a box or package.
8. If compatibility with an existing piece of equipment is a factor, describe the equipment, connectors, interfaces, brand, and model of the existing equipment.

### **Specification Writing Tips:**

The term “specification” simply means the description of a good or service that you want to procure. The goal is to tell suppliers specifically what you are looking to procure. Sometimes the term “specification” is abbreviated as “specs.”

Your specifications must be as clear and complete as possible.

Why do we need specifications? The university’s goal is to encourage open competition among suppliers to save money and to get the best deal possible. Departments will use specifications to search for quotes on goods or services. P&SS will use the specifications to decide whether a supplier’s bid was adequate in response to the specifications.

The lists below will help you determine requirements for the solicitation. There may be additional questions to ask suppliers and communicate the same needs to all suppliers.

### **Goods:**

1. Quantity
  - Be more specific than “box” or “crate.” Be sure to know the exact quantity you are buying.
2. Does the item need to be installed?
  - Specify location.
  - Specify dimensions or other facts.
3. Warranty
  - If a warranty is a factor, you must mention this in the specifications.
4. Delivery:
  - What are the delivery costs?
  - Is delivery time a factor in your award?
  - Where does the item need to be delivered?
  - Will it be inside or outside delivery?
  - Will the items be insured while in transit?
5. Include any relevant compatibility requirements.
6. If needed, inquire about warranty offerings.

### **Services:**

1. Indicate the timeframe in which you want the services provided.
2. Does the service need to be integrated with certain existing systems?
3. Does the service provider need to be familiar with particular standards?
4. How soon do you need the services?

5. Does the service provider need access to campus?

### **Preliminary Steps:**

1. Engage the “end user” (the people who will be using the good or service) in your department. Ask them questions and be sure to utilize their expertise and knowledge.
2. If you do not know what the expected cost would be, search the internet for companies who provide the goods or service you are seeking.
3. Be sure to think about quantity, quality, weights, measurements, etc.
4. Be sure to think about delivery.
  - When do you need the item?
  - Where will it be delivered?
5. Does the good or service need to be compatible with something your department currently uses? For example, compatible with certain software? If so, be sure to state this in your specifications.
6. If you are uncertain how to write a specification, contact P&SS.

### **Good Specification Writing Tips:**

#### **The “Four C’s”**

1. Clear: write your specifications clearly. Avoid ambiguity and vagueness.
2. Concise: write complete, but concise specifications. Avoid excess verbiage.
3. Complete: ensure all required information is in the specifications.
4. Correct: ensure that your specifications are technically accurate and meets your needs

Write specifications in a manner that is not up to interpretation about what you need. For example, if you want an “environmentally friendly” machine, do not use the word “green.” Green is a color and has no bearing on environmental standards. Instead, you might say: “Energy Star Certified” or some other objective description. Consider the following before you start writing:

- Color
- Composition (such as, chemical composition)
- Design standards
- Dimensions
- Form
- Grades of materials
- Percent
- Performance
- Physical dimensions
- Purity
- Quantity
- Size
- Standard of workmanship
- Type of ingredients
- Unit of measure (Metric or U.S. measurements)
- Weights

### **Figures and Tables:**

Do you need to include:

1. Figures
2. Illustrations
3. Photos
4. Graphs
5. Charts

**General drafting guidelines:**

Use short, easy-to-read sentences (avoid run-on sentences). Keep paragraphs short (3-5 sentences per paragraph). Avoid using abbreviations, acronyms, slang, or jargon. It is OK to use abbreviations or acronyms, but only if you define them first.

**Active voice:**

Use active voice. Active voice is when the subject of the sentence does the action. Using passive voice (when the subject is no longer active) leads to unclear sentences, confusion, and excess words. For example:

Active: The cat played with the toy mouse.  
Passive: The toy mouse was played with by the cat.

Active: The university must have the following...  
Passive: The following items are needed by the university...

**Specifying Time:**

Time Zones: If you specify a time zone, please remember that “daylight savings time” and “standard time” are specific periods of the year. Reference “standard” or “daylight” when specifying a time zone.

**Numbers:**

Digits only: Do not spell out numbers (for example, do not write “twenty,” instead, write “20”). Digits are much easier to proofread. Never use digits plus spelling, such as “twenty (20)” as this is archaic, and likely to cause conflicts. Many people will update the word or the digit, but not both.

Do not use ambiguous words: Below is a list of words that you should avoid using when possible because these words are ambiguous:

about	quality	recognized
acceptable	immediately	relevant
accurate	improper	reputable
adequate	instant	safe
adjustable	insufficient	sanction
affordable	known	secure
applicable	less	significant
appropriate	low	similar
average	major	simple
better	neat	smooth
capable	necessary	stable
careful	normal	substantial
deep	optimum	sufficient
dependable	other	suitable
desirable	periodically	temporary
easy	pleasing	timely
economical	possible	typical

efficient	practical	variable
essential	practical	various
excessive	proper	wide
good	quick	workmanlike
high	reasonable	worse

**Measurements: U.S.**

**Metric**

**Length**

in (inches)  
ft (feet)  
yd (yards)  
mi (miles)

mm (millimeters)  
m (meters)  
m (meters)  
km (kilometers)

**Area**

in<sup>2</sup> (square inches)  
ft<sup>2</sup> (square feet)  
yd<sup>2</sup> (square yard)  
ac (acres)  
mi<sup>2</sup> (square miles)

mm<sup>2</sup> (square millimeters)  
m<sup>2</sup> (square meters)  
m<sup>2</sup> (square meters)  
ha (hectares)  
km<sup>2</sup> (square kilometers)

**Volume**

fl oz (fluid ounces)  
gal (gallons)  
ft<sup>3</sup> (cubic feet)  
yd<sup>3</sup> (cubic yards)

mL (Milliliters)  
L (Liters)  
m<sup>3</sup> (cubic meters)  
m<sup>3</sup> (cubic meters)

**Mass**

oz (ounces)  
lb (pounds)  
T short tons (2000 lb)

g (grams)  
kg (kilograms)  
Mg (or “t”) megagrams (or “metric ton”)

**Temperature**

°F (Fahrenheit)

°C (Celsius)

**Illumination**

fc (foot-candles)  
fl (foot-Lamberts)

lx (lux)  
cd/m<sup>2</sup> (candela/m<sup>2</sup>)

**Force &  
Pressure or  
Stress**

Lbf (pound-force)  
lbf/in<sup>2</sup> (pound-force per square inch)

N (Newtons)  
kPa (Kilopascals)

**Veteran Heroes United in Business (VetHUB) Program:**

The Veteran Heroes United in Business (VetHUB) Program is a mandated program that was created to promote equal procurement and contracting opportunities throughout the state of Texas.

In accordance with Texas Government Code §2161, Texas State University is committed to the highest ethical standards in providing equal opportunities to businesses. The university is determined to increase VetHUB participation in the procurement of all goods and services, including construction. Texas State's VetHUB Outreach Program is a department of Financial Services and reports to the Director of Procurement.

**Informal Bid Specifications for Hotels Example:**

1. Sleeping rooms:
  - Be sure to specify the number of rooms per night.
  - Do you need any handicap accessible rooms?
2. Meeting rooms:
  - Capacity: specify how many people per day need to be in the room.
  - Set-up: if a particular set-up is necessary, please specify this.
3. Time:
  - During what time(s), each day do you need the meeting room?
  - Will you need to leave items in meeting rooms overnight?
4. Food and beverages:
  - Breakfast: is breakfast included in the hotel's room rate?
  - Meals:
    - Specify time.
    - Specify number of people.
    - Specify any special dietary needs.
5. Parking:
  - Ask the hotel if there is a charge to park.
  - Does your department need to park a bus? If so, ask the hotel whether there will be an extra charge for this.
6. Wi-Fi: Is wireless internet free?
7. Audio-visual: There are lots of different audio-visual equipment, so the list below is overly general.
  - Podium (lectern)
  - Projector
  - Projector screen
  - Laptop
  - Microphone
    - Stations
    - Lapel
    - Hand-held
  - Wireless presenter device (commonly called a "wireless clicker") for slideshows.
  - Telephone
  - Television
    - Size
  - Speakers
  - Electronic computer tablet

**Common terms in the hotel industry:**

1. **Attrition:** A threshold minimum guarantee of a certain number of bookings for revenue. For example, the hotel will require you to fulfill a minimum of 80% of your booked room occupancy, or you will be charged the difference between actual occupancy and 80%.
2. **Cancellation:** Completely cancelling the event. Hotels usually impose cancellation fees, and these fees are based on how far in advance you cancel. The longer in advance you cancel, generally, the lower the cancellation fees will be.
3. **“Walk:”** Occasionally, guests do not show up due to an emergency, a flight delay, or other reasons beyond their control. In those cases, hotels often do not charge the guest for the room. In order to increase their revenue to account for the lost rooms, hotels often oversell their rooms. For example, if a hotel has 200 rooms, the hotel will often allow reservations booked for 204 or 205 rooms. In this example, if all 204 people show up, then the hotel will “walk” (relocate) the four extra people. Almost always, the hotel will pay for those four people to stay one night in another hotel, the taxi fare to the other hotel, and for one local phone call.

**Hotel industry practices:**

Hotels will often negotiate to provide complimentary items. If they do not, you may initiate the negotiation process. Below are some complimentary items that may be negotiable:

- Complimentary sleeping rooms: Hotels often give a group one free room per night for every forty rooms paid for per night, per stay. In other words, if you book 50 rooms for two nights, it is likely that the hotel will give you one free room per night.
- Complimentary meeting rooms: Hotels often give a group free meeting space when the group books either food and beverage or sleeping rooms.
- Complimentary parking: Hotels sometimes offer complimentary parking to groups.
- Complimentary Wi-Fi: Hotels often offer free Wi-Fi to groups.