BOARD OF REGENTS POLICY:

Purchasing

Purchasing activities at the University of Minnesota (University) shall include goods and service, professional services, and design and construction services.

SECTION I. GUIDING PRINCIPLES

The following principles shall guide the University's purchasing process:

(a) purchasing activities shall comply with all applicable laws and policies of the Board of Regents (Board), including, but not limited to, Board of Regents Policy: Targeted Business, Urban Community Economic Development, and Small Business Programs;
(b) purchasing activities shall be conducted in a manner that promotes integrity, stewardship, diversity, and sustainability;
(c) purchasing activities shall provide goods and services, professional services, and design services at the best value and appropriate standards of quality, considering total cost of ownership;
(d) purchasing procedures shall be efficient, timely, and transparent; and
(e) purchasing activities shall promote the use of businesses owned and operated by minorities, women, and disabled persons.

SECTION II. COMPETITIVE PROCESSES.

Subd. 1. Competitive threshold.
Except as provided in this policy, vendors shall be selected by a competitive process for purchases above a dollar threshold determined by the administration. This threshold shall be reviewed and approved by the Board biennially.

Subd. 2. Vendor Selection.
The University reserves the right to establish competitive and non-competitive negotiated agreements with vendors when it is in the best interest of the University. Vendor selections shall be made using an objective process and may be based on total benefits to the University, considering price, level of service, and other variables as appropriate.

Subd. 3. Bid/Proposal Rejection.
The University may reject any bid/proposal when it determines in the exercise of its sole discretion that such bid/proposal is not in the best interest of the University. A bid/proposal shall be rejected when it is determined that a vendor or bid/proposal does not comply with required specifications or with applicable
federal/state laws and University policies relating to equal opportunity. Records of such rejections shall be maintained and available for review. For bids/proposals over a threshold determined by administrative policy, vendors shall be notified in writing of the reasons for rejection.

**Subd. 4. Exceptions to Competitive Process.**
If a competitive process is not in the best interest of the University, the president or delegate may except a purchase from the required competitive process referenced in Subd. 1 of this section. Such exceptions shall be reported to the Board, consistent with Board of Regents Policy: *Board Operations and Agenda Guidelines*.

**REVISION HISTORY**

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