Sole Source Procurement

A Sole Source Procurement is a purchase made over $5000 without competition when competition is normally required. A Sole Source purchase is justified when there is only one good or service that can reasonably meet the need and there is only one vendor or supplier who can provide the good or service requested.

Purchase Process:

- As requester - complete Sole Source Justification in CU Marketplace
- Add Sole Source Justification form to your shopping cart
- Finalize your shopping cart (add accounting and shipping information)
- Submit your shopping cart as a requisition
- Receive appropriate approvals – financial, PS
- Requisition becomes Purchase Order

Payment Process:

- Purchase order is sent to vendor
- Vendor submits invoice for payment
- Requester does online receiving to authorize invoice to pay

Standing Purchase Order:

- A type of Sole Source
- A method of procurement used for repetitive purchases from non-catalog vendors over a period of time, with a total anticipated cost greater than $5000.
- Used for subcontracts issued to other entities.

Sole Source Step-by-step Guide:

https://www.cu.edu/psc/traininghelp/learningresources/cu_marketplace/sbs/SbS%20Creating%20Sole%20Source%20Procurements%20in%20CU%20Marketplace.pdf

Step-by-Step Guide

Creating Sole Source Procurements in CU Marketplace

In This Guide

This guide discusses the sole source procurement process. Topics covered are:

✓ Sole source procurement definition

- ✓ Procedure to create sole source justifications

- ✓ Sole source process cycles
- ✓ Procedure to pay invoices (receiving)

What is sole source procurement?

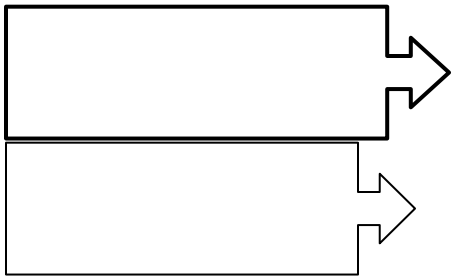
Sole source procurement means a purchase over $5,000 made without competition, when competition is otherwise required. It is justified when there is only one good or service that can reasonably meet the need and there is only one vendor (supplier) who

can provide the good or service being requested.

Standing Purchase Order (SPO) Sole Sources

The SPO is a method of procurement used for repetitive purchases from non-catalog vendors over a period of time, with a total anticipated cost greater than $5,000. If you have an SPO sole source, refer to the Step-by-Step Guide *Creating (or Converting) SPOs in CU Marketplace* for further guidance.

Sole Source Process Cycles in CU Marketplace



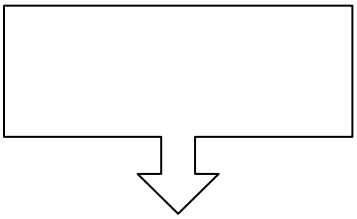
Setting up Sole Source Procurements:

Complete Sole Source Justification form in CU Marketplace.

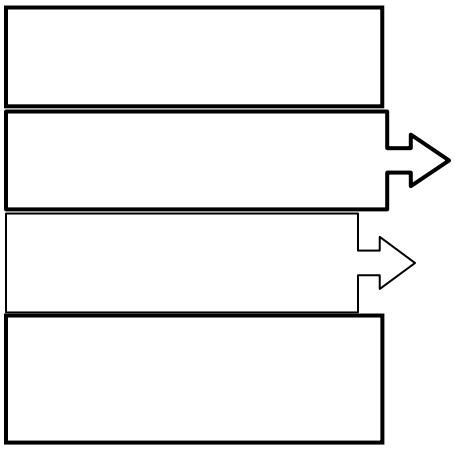
Add Sole Source Justification form to shopping cart.

Finalize shopping cart (add accounting and shipping information).

Receive appropriate approvals (financial, PSC). Requisition becomes PO.



Submit shopping cart as a requisition.



Payment Process for Sole Source Procurements:

PO is communicated to the supplier.

Supplier submits invoice(s) for payment.

Do online receiving to authorize invoice to pay.

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Creating Sole Source Procurements in CU Marketplace

Sole Source Creation Procedure

Begin by logging into your portal and accessing the CU Marketplace.

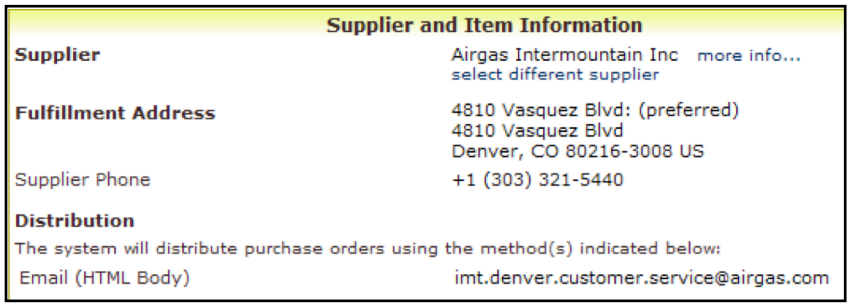
Step #1: Enter Sole Source Justification form in CU Marketplace

1. From the **CU Forms** section of the CU Marketplace home page, select the **Sole Source Justification Form**. The form will appear in a separate window. (If you have an SPO sole source, refer to the Step-by-Step Guide Creating (or Converting) SPOs in CU Marketplace for further guidance.)

2. Enter the **Supplier** or click the **supplier search** link. Select the appropriate supplier from the list of results.

Can't find your supplier? Use one of the following forms, both available on the PSC website (www.cu.edu/psc):

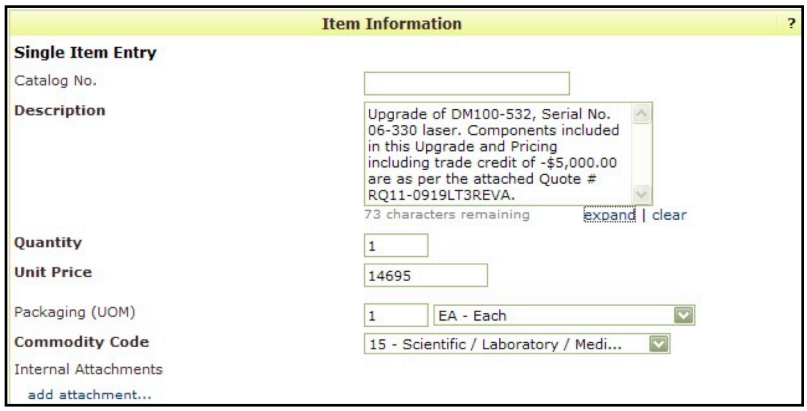
- Supplier already entered in PeopleSoft: Complete the Vendor Update form.
- New supplier to the University: Ask supplier to complete the CU W-9 form.



3. Verify that supplier information is correct. Note that the **Fulfillment Address** is the address to which the resulting Purchase Order (PO) will be issued. A fulfillment address specified by the supplier as preferred will default.

4. Enter the required **Item Information**, indicated by the boldfaced fields.

   a. If available, enter the **Catalog No**.



   b. Enter a detailed **Description**, which is sent to the supplier as part of your PO.

   c. Enter the **Quantity**.

   d. Enter the **Unit Price**.

   e. If appropriate, select a different **Packaging (UOM)** measurement.

   f. Select a **Commodity Code**.

g. Click the **add attachments…** link to attach **Internal Attachments**, if applicable. These will not be dispatched to the supplier with your PO.

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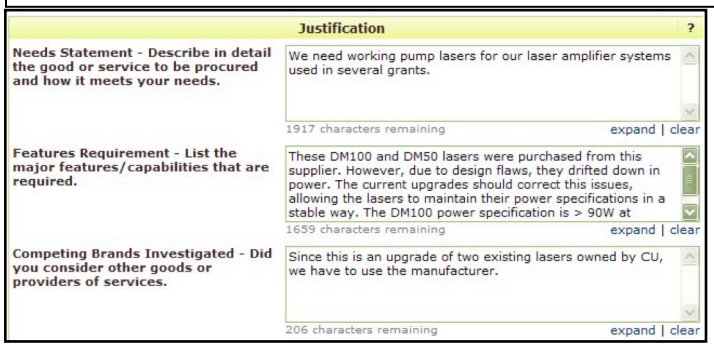
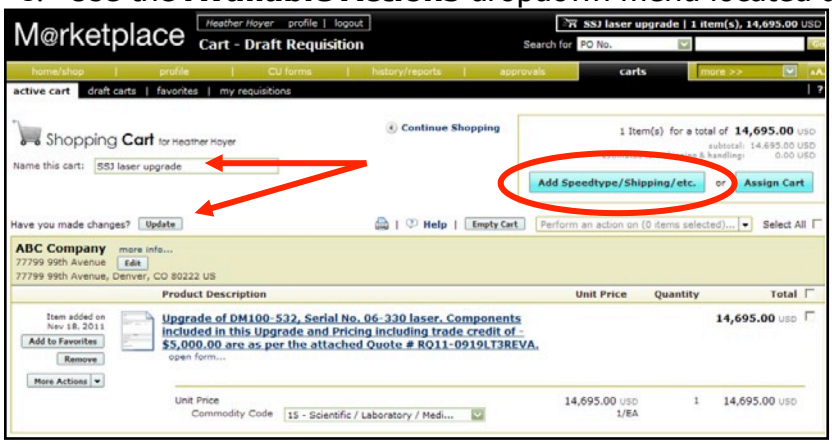
Creating Sole Source Procurements in CU Marketplace



5. Enter the required sole source **Justification** information. a. Enter the **Needs Statement** to describe your purchase need in detail.
   b. Enter the **Features Requirement** to describe the required features and/or capabilities of this procurement.
   c. Enter **Competing Brands Investigated** to detail other suppliers you considered, when/how you contacted them, and exactly why their product or service will not meet requirements.

Step #2: Add form to your shopping cart

1. Use the **Available Actions** dropdown menu located at the top of page and select



Add and go to Cart; click the

Go button.

2. We recommend that you enter a unique shopping cart **Name** to easily identify or search for your shopping cart. If you do, click the Update button to save your shopping cart's new name.

Step #3: Finalize shopping cart

1. Click the Add Speedtype/Shipping/etc. button located in the upper right corner.

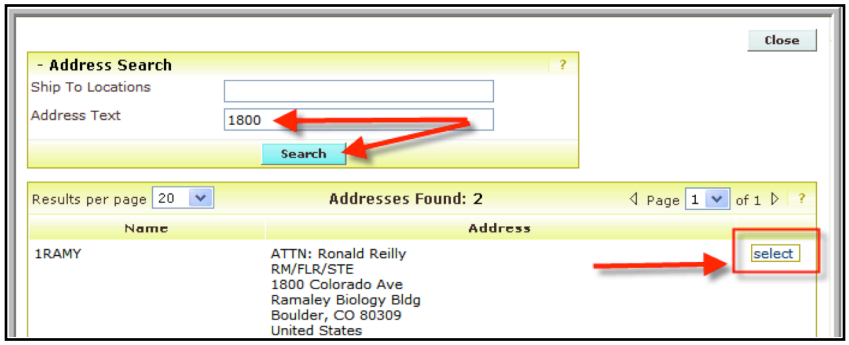
2. Navigation tabs appear at the top of the page and the error icon highlights where your attention is needed. You can click on the tab to navigate to the section and provide information.

An error message also displays next to the field missing required information.

SHIPPING INFORMATION

If you have set a Ship To default in your Profile, you only need to come here if you want to change your default shipping address for this PO.

3. Click the **Shipping** tab.
4. Click the edit button to the right of the **Ship To** field.



5. Use the **select from org addresses** link to search for your shipping address. Enter part of your address in the **Address Text** field. Select the appropriate address from the resulting list.

6. Enter the attention (**ATTN**) and room/floor/suite (**RM/FL/STE**) information and click the Save button.

Due to space limitations on the supplier's side, enter the **ATTN** and **RM/FL/STE** information as concisely as possible.

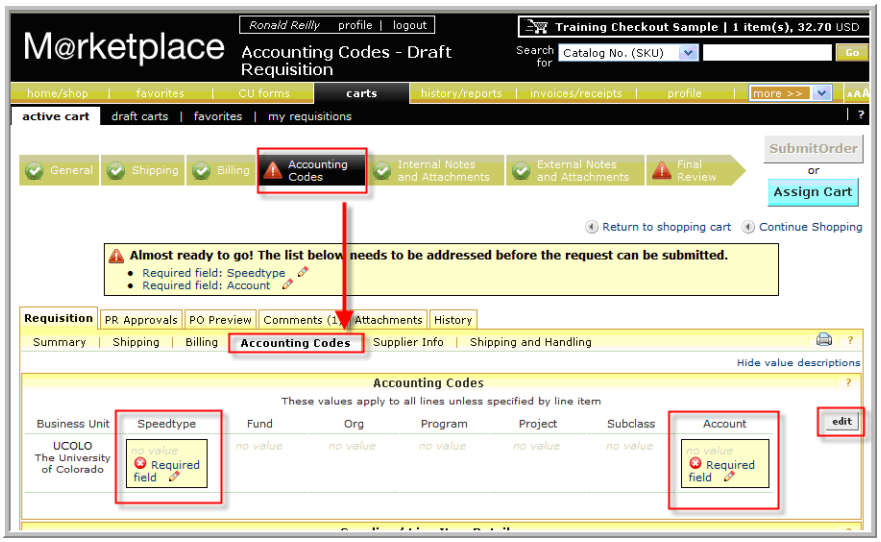
These fields can be used to enter other pertinent delivery information but keep in mind that the field truncates differently for different suppliers. Be brief!

ACCOUNTING INFORMATION

7. Click the **Accounting Codes** tab.

8. Click on the **Required field** link or the edit button to enter or search for the **SpeedType** and **Account**.

9. Enter the appropriate SpeedType using one of the following methods:



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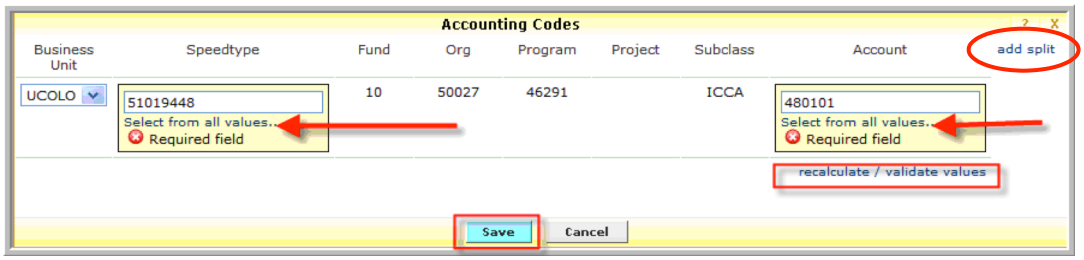
Creating Sole Source Procurements in CU Marketplace

- If you have set your SpeedType Profile, click the **Select from profile values** link to access your SpeedType list.



- Type the **SpeedType** and click the **recalculate/validate values** link to return the corresponding Fund, Org, Program or Project values.

- If needed, click the **Select from all values....** link to search for the SpeedType using the **Custom Field Search**.

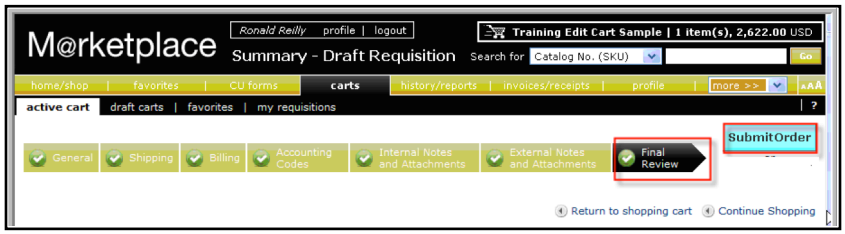
  You can search by all or part of the SpeedType number (value) or description.

10. Enter the **Account**, or click the **Select from all values....** link to search for the account using the **Custom Field Search**.

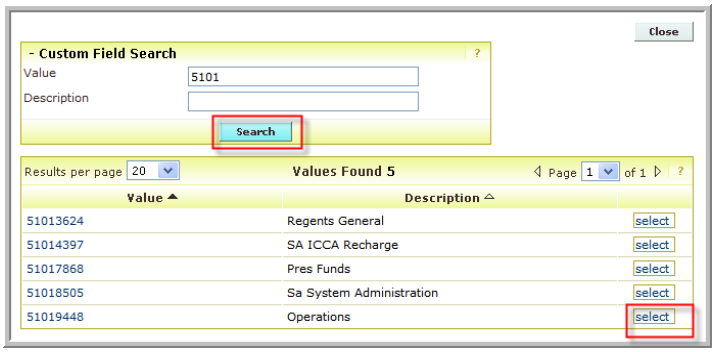
11. To enter another distribution line, click the **add split** link located in the upper right corner of the Accounting Codes pop-up box. Repeat to enter as many distribution lines as needed.

12. Click the Save button.

13. Click the **External Notes and Attachments** tab, if needed, to add notes to or documents to be dispatched to the supplier with your resulting PO.



14. Click the **Final Review** tab to complete your review. If needed, click the edit button to make additional updates.



Step #4: Submit shopping cart as a requisition

(You must have Requester access in order to perform this step.)

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Creating Sole Source Procurements in CU Marketplace

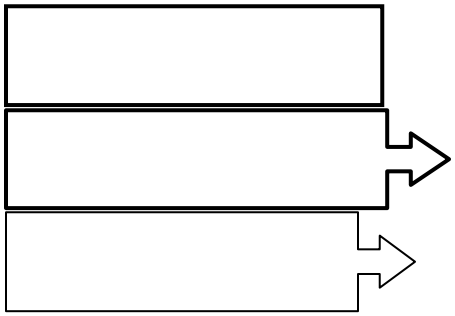
1. Click the SubmitOrder button located in the upper right corner.
2. A congratulatory message will appear, along with a summary of your requisition. CU Marketplace will send an email notification to the approver(s).

Step #5: Receive appropriate approvals

After the requester submits your shopping cart as a requisition, CU Marketplace routes your requisition for financial approval. Financial approval is given by a Fiscal Staff Approver on the SpeedType.

After financial approval is obtained, CU Marketplace routes your requisition for PSC approval. Once approved by the PSC, your requisition will convert into a PO. The requester will receive an email notification from CU Marketplace. Your PO is communicated to the supplier to place your order.

PO Payment Procedure



First, let's begin by reviewing the payment cycle illustrated on page 1:

PO is communicated to the supplier.

Supplier submits invoice(s) for payment.

Do online receiving to authorize invoice to pay.

Once your order is placed with a supplier, referencing your PO number, the supplier must submit an invoice to receive payment.

If the PO total amount is over $5,000, online receiving is required to authorize each invoice to pay – regardless of the dollar amount of the individual invoice.

If you receive the invoice prior to the Procurement Service Center (PSC), email the invoice to APInvoice@cu.edu.

An email notification is sent to the requester and any approvers once the invoice is entered as a voucher into CU Marketplace. You can then review the voucher online. The requester (or receiver) should complete online receiving.

Do online receiving to authorize invoice(s) to pay:

1. Begin by logging into your portal and accessing the CU Marketplace.
2. Locate your PO using one of the following methods:

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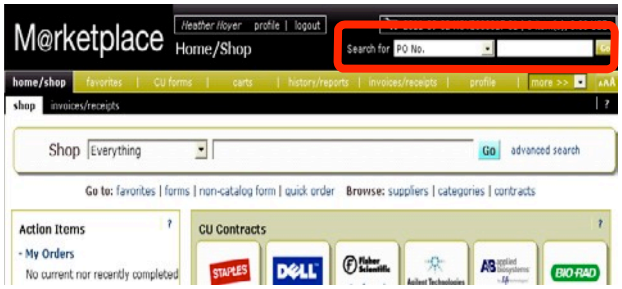
Creating Sole Source Procurements in CU Marketplace

Method 1: PO # Known

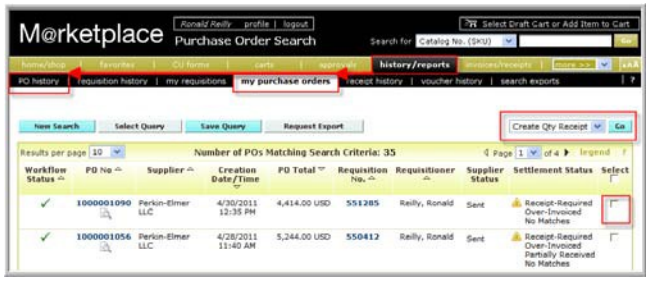


If you do know the PO #, use the search area located in the upper right corner.

Select PO No. from the dropdown menu and enter your PO #in the next field; click **Go**. Once your PO is displayed, used the **Available Actions** dropdown (located in the upper right corner of the page) and select Create Quantity Receipt. Click the **Go** button.

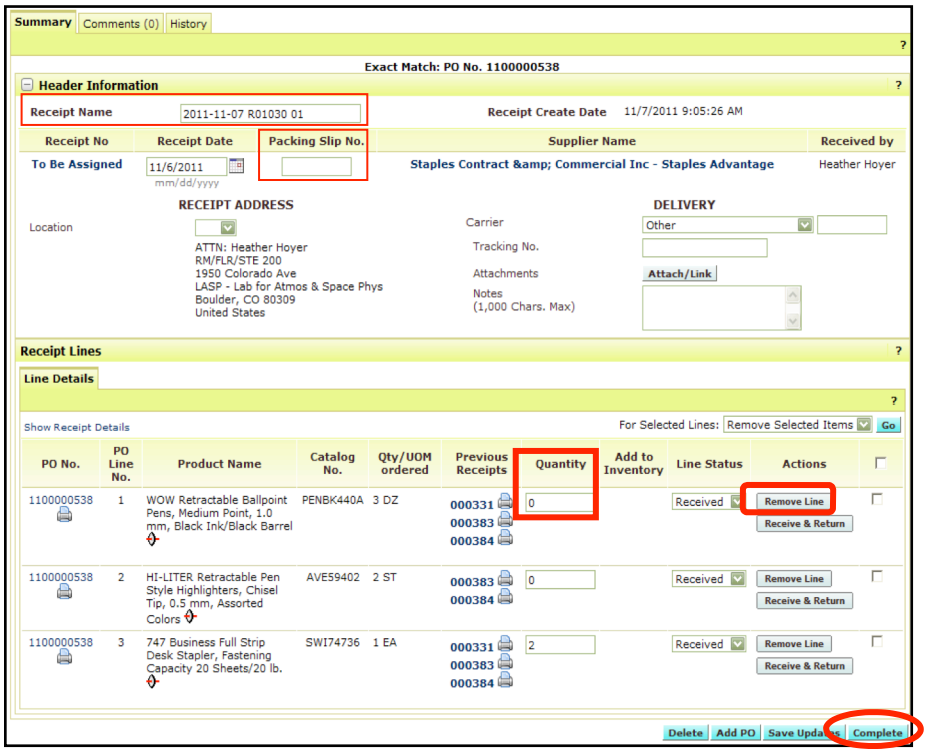
Method 2: PO # Not Known

If you do not know the PO #, use the **my purchase order** or **PO history** tabs.



When you locate the PO #, open the PO – or, click the select box associated with the PO number – select **Create Qty Receipt** from the dropdown and click the **Go** button.

3. On the **draft receipts** page, if needed:



- Enter a unique **Receipt Name**.
- Enter the **Packing Slip No.** and attach a scan of the packing slip for records purposes.

4. Record the items that arrived, or the portion of services performed, in the **Receipt Lines** section located in the bottom part of your screen.

   - Verify the **Quantity** of each line and update as needed.

- If a line is not part of this receipt, remove it by clicking the **Remove Line** button.

5. Click the **Complete** button located in the lower right corner of the page.

6. A confirmation page will appear noting the receipt and PO numbers.

In some cases, a supplier might send multiple shipments to fulfill one PO. For example, an item could be on backorder, or a large order might be shipped in multiple boxes which could be separated during shipping. Because of this, it is possible to perform receiving more than once on a given PO.