

Quotation Guidelines and Form (For Purchases Less Than \$25,000)

_____ Check to see if item is on M-contract. If it is, the Accounting Office issues a Department Purchase Order (DPO). Make sure to list M-contract number on DPO in appropriate box. If item is not on contract, proceed with following instructions. (Note the difference between exclusive vs. non-exclusive contracts.)

_____ Write up complete description of item for which you will be obtaining quotations. All items should be quoted "or approved equal," unless you have justification why a substitute will not be acceptable.

_____ Decide on the terms and conditions of the quote. This needs to be done on both phone quotes and written quotes. Make sure all vendors get the same information.

_____ Specify shipping requirements and all special delivery requirements. All quotes should be FOB (point at which title passes from seller to the buyer) destination. Request a separate price for the freight cost.

_____ On purchases under \$10,000.00 two quotes are recommended, so far as practicable (one from a targeted vendor, if possible). This can be either phone, fax, or written quote.

_____ On purchases between \$10,000.00-\$25,000.00 at least two quotes are necessary (one being from a targeted vendor, if possible). This can be either phone, fax, or written quotes. The quote awarded needs to be confirmed in writing. All quotes need to be attached to the file copy of the DPO for audit purposes.

Documentation to be attached to the file copy (on purchases over \$10,000.00):

Minimum of two quotes (company names and persons contacted)

Pricing information

Nation of origin

Signed quote

Any special authority granted by purchasing

If sole source, write justification

List preferences and terms that apply to each company

Or purchases between \$10,000.00-\$25,000.00 can be made by sealed bids. See Exhibit E.

_____ All quotes should include preference language for the targeted and economically disadvantaged businesses. A 6% preference will be given to the targeted businesses that are certified. A 6% preference will be given to businesses that are certified as an economically disadvantaged business.

- _____ When making vendor selection, make sure you allow fair competition to all vendors.
- _____ Let all vendors know when they must have the quote returned, if quote is returned after that time and date, the quote must be rejected.
- _____ Review all quotes that were received on time, and determine quoter meeting all terms and conditions. (Note: All quote documents must be open to the public.)
- _____ Quotes must be reviewed to assure the quotes are signed. Quotes filled out in pencil will be rejected.
- _____ A quote containing an alteration or erasure of any price contained in the quote which is used in determining the quote shall be rejected, unless the alteration or erasure is crossed out and the correction thereof printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the quote.
- _____ If any work is done on State property, vendor must supply agency with certificate of insurance before starting work.

Tie Quotes: When a tie quote involves a Minnesota firm and one whose place of business is outside the State of Minnesota, preference is given to the Minnesota firm. Tie quotes are usually resolved by calling all vendors involved in the tie quote, and giving them a chance to change prices, to break the tie.