

PREPARING BID FORM (Required For Purchases Over \$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 bidding. All items should be bid "or approved equal," unless you have justification why substitute will not be acceptable.

_____ Decide on the terms and conditions of the bid. Make sure all vendors get the same information.

_____ Specify shipping requirements and all special delivery requirements. All bids 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 use the quotation process or open market.

_____ On purchases over \$10,000.00 sealed bids are an option to obtaining quotations. The bid awarded needs to be confirmed in writing. All bids 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 bids (Company names and persons contacted)

Pricing information

Nation of origin

Signed bid

Any special authority granted by purchasing

If sole source, write justification

List preferences and terms that apply to each company

_____ All bids 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 bidders.

_____ Let all vendors know when they must have the bid returned, if bid is returned after that time and date, the bid must be rejected.

_____ Review all bids that were received on time, and determine bidder meeting all terms and conditions. (Note: All bid documents must be open to the public upon completion of the

_____ Bids must be reviewed to assure the bids are signed. Bids filled out in pencil will be rejected.

_____ A bid containing an alteration or erasure of any price contained in the bid which is used in determining the bid 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 bid.

_____ If any work is done on State property, vendor must supply agency with certificate of insurance before starting work.

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