

Guidelines for Requesting Quotations

Purpose: It is the purpose of this document to guide University of Wyoming faculty and staff in the process of getting quotations. As always, Procurement Services is available to request quotes on behalf of UW departments. These guidelines may be used by those who prefer to request quotes directly from vendors.

Ethics and Communication when Dealing with Potential Vendors

- Clear communication is best accomplished with a written request for quotations.
- If you need assistance in identifying appropriate vendors for your requirements, you are strongly encouraged to contact the office of Procurement Services.
- Primarily, you must convey enough information for them to responsibly provide a price for the goods or services that you will need to satisfy your requirements in a timely manner.
 - Make sure the vendors all have the same information about your requirements.
 - Make sure all vendors have enough information.
- It is also important to give vendors a time limit for responses rather than giving an open-ended request. The ideal time needed allow the vendors enough time to form a competitive quote is dependent upon the type and complexity of the items requested.
- Always ask for vendors' best offer first.
 - Do not share price information with vendors before you make a purchase decision and do not 'play' vendors against each other on price. This practice can be unfair to vendors and usually leads to poor vendor relations in the long term.
- Vendors will ask you which other vendors you have sent the request to. This information could be used to gauge their maximum competitive margin to charge UW, and sharing this information prior to an award does not benefit UW.
 - Keep your vendor list confidential until you have awarded the job.
 - It may be convenient to send a single request via email to all vendors. If you choose to do this, you may "blind copy" the vendors and send the email to yourself. This way, there will be an address in the "to" line which will satisfy most SPAM filters, but the vendors will not know which others have received the quote request.
- Always ask for a written quotation.
 - Verbal quotes can be faster, but it is harder to rely on a verbal conversation if any disagreements arise.
 - Most vendors have access to email or a fax machine to allow for quick written quotes.

Best Value Analysis

- Try to consider all hard costs and soft costs when making a decision.
 - Hard costs are the price plus all fees and shipping to get the item up and running.
 - Soft costs can be operating costs, utility consumption, training costs, opportunity costs, etc.
- Low price should be used when comparing identical items, or if the items have the same functionality and features.
- Best value can take into consideration different features, benefits in terms (like better warranty), service availability, etc. and compare how those will affect soft costs over time.
 - If the difference in soft costs are significant enough, it may be more beneficial to UW to accept a higher initially priced item as long as our reduction in overall costs are justified long term.
 - If you make a decision to purchase a higher priced item, be prepared to explain your decision to Procurement Services so the benefit to UW may be documented.

Terms and Conditions

- Always request the following terms for every quotation:
 - Freight Terms: FOB Destination, freight prepaid & allowed, *Laramie (or location to be shipped to)*
 - All quotes provided will be subject to the University's Terms and Conditions that can be found at <http://www.uwyo.edu/procurement/>
- If disagreement arises between the UW requested terms and the vendor's quoted terms, please contact Procurement Services so that we may assist with final negotiation of terms with the chosen vendor.

Working with Procurement Services

- As mentioned, the office of Procurement Services is available to assist throughout your quotation request process in selecting vendors, negotiating with vendors, and general assistance.
- Once a final quotation is selected and you are ready to proceed, forward all the quotations from all vendors to your office staff and ask them to create a purchase order (PO).
 - Only one quotation will be "Sent to Vendor" on your purchase order, meaning only one quote will be visible to the vendor when the PO is sent.
 - The other quotations should be grouped as a separate attachment to the PO, and will be kept for UW records only.
 - If you did not receive three or more quotes back from vendors, you may use your initial quotation requests as documentation that you attempted to solicit competitive pricing. Please send this documentation to your staff to be attached to the PO.