

# GRU Procurement Process

Item #190640  
November 19, 2019

# Definitions

- **Purchase Requisition** – document created and approved in SAP by a department notifying Procurement of goods and services needed.
- **Purchase order (PO)**- created from approved purchase requisition and is used to order goods and services from the vendor.
- **Purchasing Credit Card (P-Card)** – Credit card that is used to buy goods and services

# Definitions

- **Non-Purchase Order Disbursement (NPOD)**- Used by Accounts Payable to pay invoices for a limited amount of goods and services.
- **Small Business Enterprise (SBE)**- 200 or fewer employees & net worth not more than \$5 million
- **Service Disabled Business Enterprise (SDVE)** - Veteran & Florida resident with service-connected disability (per US Dept. of Veterans Affairs) or terminated from military service due to disability per US Dept. of Defense

# Making a Purchase

# Purchases: \$5,000 or Less

- Competitive quotes not required
- Verbal quote ok
- Purchase Order not necessary
- P-Card recommended
- Purchase from SBE/SDVE when feasible is encouraged

# Purchases: \$5,000.01 - \$50,000

- Three written quotes required including one from an SBE or SDVE if feasible
- PO required

# Purchases: \$50,000.01 and Up

- Formal Solicitation by Procurement Department required
- Purchase Order and/or Contract required

# Procurement Process

## 1. User Department

- Identifies purchase need
- Creates an electronic Purchase Requisition in SAP
- Attaches supporting documentation
- Submit Purchase Requisition for approval

## 2. Procurement Department

- Buyer reviews Purchase Requisition and supporting documentation.
- Buyer issues PO to vendor



# PO Process (continued)

## 3. Vendor

- Receives PO
- Ships goods or performs work
- Sends invoice to GRU Accounts Payable

## 4. Department

- “Receipts” goods and services against PO

## 5. Accounts Payable

- Matches invoice to PO and receipt (3 way match)
- Issues payment to vendor

# City of Gainesville Small Business Enterprise Program

- Seek out qualified Small Business Enterprises (SBE)/ Service Disabled Veteran Enterprise (SDVE) businesses.
- If qualified will receive a 5% preference on evaluated solicitations greater than \$50,000, maximum of \$25,000 preference .
- Procurement Department may waive competitive bidding requirements for the first time order with a Small and Service-Disabled Veteran Business Enterprise in an amount not greater than \$20,000 in order to fairly assess the capabilities of the business to perform in accordance with required standards.

# GRU's Initiatives to Support the City's Small Business Enterprise Program

- Encourages Departments to make a good faith effort to solicit a quote from qualified small businesses.
- Procurement Department participates in planning meetings with the EO department to plan training for small businesses.
- Procurement Department participates in quarterly training meetings for small businesses.
- Departments participates in small/diversity business events sponsored by the City and UF annually.

# Spend Fiscal Year 2019

- Minority Spend
  - African American - \$350,335.03
  - Asian American - \$1,579,322,.85
  - Hispanic American - \$33,124.95
  - Native American - \$3,000.00
  - Women Owned - \$3,279,363.41

# Spend Fiscal Year 2019

Totals GRU Spend for Goods and Services  
\$149,499,858.38

- Minority Spend - \$5,245,146.24
- Local spend - \$4,992,695.33
- Service Disabled Veteran Enterprise - \$1,869,513.25