Tips for efficient and easy purchasing under U-M’s revised procurement SPG

The U-M Board of Regents and the federal government require due diligence for all purchases over $10,000. Under U-M’s revised procurement SPG, units do not need to complete a sole source justification or perform a formal competitive bid for purchases under $50,000.

For more details, please read the Competitive Bid Process and Pricing Thresholds (Section XI) of the revised procurement SPG and the Federal Uniform Guidance (UG), which governs purchases made with federal funds and has established $10,000 as the micro-purchase threshold. Purchases above $10,000 fall under the UG’s “small purchase rules.”

Best practices for purchases under $50,000

1. Leave the “buyer” field blank unless working directly with a buyer on a purchase.
2. Provide supporting documentation and evidence of any due diligence already completed:
   a. Quotes from other suppliers
   b. Screenshots of web searches
   c. Invoices/similar purchase history
   d. Comparable pricing for other institutions
   e. Relevant pages out of an awarded grant (should be a combination of the grant application and Notice of Award, not just a grant application)
   f. Relevant materials displaying sponsor requirements for a specific supplier
3. Enter the contract number on the requisition lines (when one is available).

Tips for an expedited experience

- Prior to submitting a requisition—if there is a contract or terms to be reviewed and signed—submit your request to Procurement Services using an eform
- Always use an existing University-Wide Agreement whenever possible
- Use the Procurement Services website to locate suppliers and M-Marketsite to search catalogs for already-contracted goods and services
- Benefits to using University-Wide Agreements:
  - Pre-negotiated contracts that meet competitive bidding requirements
  - Favorable terms—Pricing, warranty, service, support, etc.
  - Ease of use—Expedited ordering and invoicing via shortcode, Esettlement invoices, etc.
  - Risk protection for the individual and the institution

Questions?
Contact Us: procurement.umich.edu/contact-us/

Resources

- Sole Source Justification Form
  Use this form to document a non-competitive award request over $50,000.

- Detailed instructions
  Making a purchase between $10,000 and less than $50,000.

- Creating an ePro Requisition
  - Job Aid
  - Video