Welcome to Pennsylvania's State System of Higher Education (PASSHE)

Doing Business with PASSHE

INTRODUCTION

2024-11-22

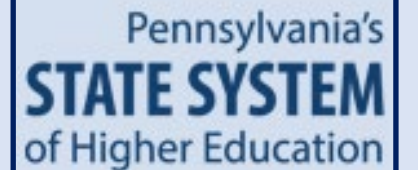# PENNSYLVANIA'S STATE SYSTEM of HIGHER EDUCATION

Agenda:

Introductions

- Introduction to the Pennsylvania State System of Higher Education
- An introduction to Procurement
- Doing Business with PASSHE – Supplier Registration
- Doing Business with PASSHE – Small Diverse Business Outreach
- SAP Business Network Discovery - PASSHE Bid Platform
- Q&A / Discussion

Pennsylvania's
STATE SYSTEM
of Higher Education

Our purpose

Provide high quality education at the lowest possible cost to students.

That means providing career-relevant higher education for <u>all</u> Pennsylvanians—no matter where they are or who they are—in service to the changing needs of the Commonwealth.

Enabling Legislation Act 188

Act188.pdf (passhe.edu)

PASSHE Universities and Campuses

Legend:
- 🔶 PASSHE University/ Campus Location
- 🔺 Branch Campuses
- 🔺 Center City

Cheyney University
Commonwealth University
  Bloomsburg
  Lock Haven
  Mansfield
East Stroudsburg University
Indiana University
Kutztown University
Millersville University
PennWest University
  California
  Clarion
  Edinboro
Shippensburg University
Slippery Rock University
West Chester University

- ❑ PASSHE is the system of public universities in Pennsylvania

- ❑ We have **10 universities** with **14 historic campus** located throughout the Commonwealth.

- ❑ Our universities enroll more than **80,000 Students**.

- ❑ Nearly **90% of students are from Pennsylvania**, most of whom are middle and low-income.

- ❑ We educate the most in-state of all other four-year colleges or universities.

- ❑ We prioritize affordability. Our students get the lowest-cost four-year college option to maximize the value of their college education.

- ❑ We are building the future to better serve students, provide the workforce that employers need, and strengthen the state's economy.

- ❑ We partner with private sector so that students graduate with a comprehensive education and skills to be ready for the latest workforce trends.

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of Higher Education

PASSHE: Pennsylvania's public university system (2 of 2)

- Our most enrolled programs match industries with worker shortages:

    - Heath care, STEM, business, and education.

    - Our graduates are prepared to jumpstart their careers with in-demand jobs.

- We have more than 600,000 living alumni, and our graduates overwhelmingly stay in Pennsylvania and build rewarding lives here.

Pennsylvania's
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of Higher Education

System's Founding Legislation
Act 188 of 1982 + Act 50 of 2020

- **Board of Governors**

- **Councils of Trustees**

  Most appointed by Governor with Senate confirmation

- **Chancellor**

- **Presidents**

  Appointed by Board of Governors

Introduction to Procurement Shared Services (PSS)

Our Mission

- Provide excellent customer service and value to the State System through supplier negotiations and cost-saving initiatives. Provide quality products and services at the best value, i.e., price, quality, delivery, sustainability, supplier partnerships, etc.
- Utilize strategic and collaborative sourcing methods supported by technology and data analytics to optimize university spend and create significant cost savings.
- Develop and implement System-wide supply chain strategies and policies to leverage and optimize university purchasing power.
- Demonstrate and support social responsibility within Procurement Shared Services. Maintain the highest level of ethical and legal standards throughout all our business transactions and relationships.

Procurement Background

The Universities have granted authority to employees within Procurement Shared Services to perform transactions on their behalf.

Procurement Shared Services Solutions

Core responsibilities include providing all business, operational, and management procurement functions. This includes conducting competitive procurements including negotiations, as well as processing and executing purchase orders, contracts, and contract amendments.

Note: Construction and Real Estate Leases are optional services.

Procurement Shared Services

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❖ Construction/Real Estate

Jennifer Lewis
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- ❖ Professional Services
- ❖ Operational Services
- ❖ Strategic Sourcing
- ❖ Library/International and other services
- ❖ Change Management
- ❖ Supplier Support

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- ❖ IT Services
- ❖ IT Materials
- ❖ Materials
- ❖ Analytics and Right-To-Know
- ❖ Procurement Card

West Chester University Procurement Contacts

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PASSHE Procurement Overview

The procurement organization services all participating universities and the Office of the Chancellor with procurements in the following areas:

✔ Purchase Order processing

✔ Complex procurement processing

✔ Procurement Card program management

✔ Construction contracting support (on optional individual university basis)

✔ Real Estate Lease Management (on optional individual university basis)

✔ Negotiation of various catalog options

✔ Contract Management Support

🏆 The goal is to maintain a collaborative relationship between all parties to support ongoing development and enhancement of purchasing procedures, best practices, synergies, and cost savings to support the university's mission and operations.

Interesting Procurement Statistics

SAP Business Network	4,660+ Supplier registered to do business with PASSHE since April 2021
Approximate Annual Spend	$415,988,338
Purchase Orders Created	29,447 Purchase Orders created (approximate annually)
% of Spend with PA Suppliers	56 %
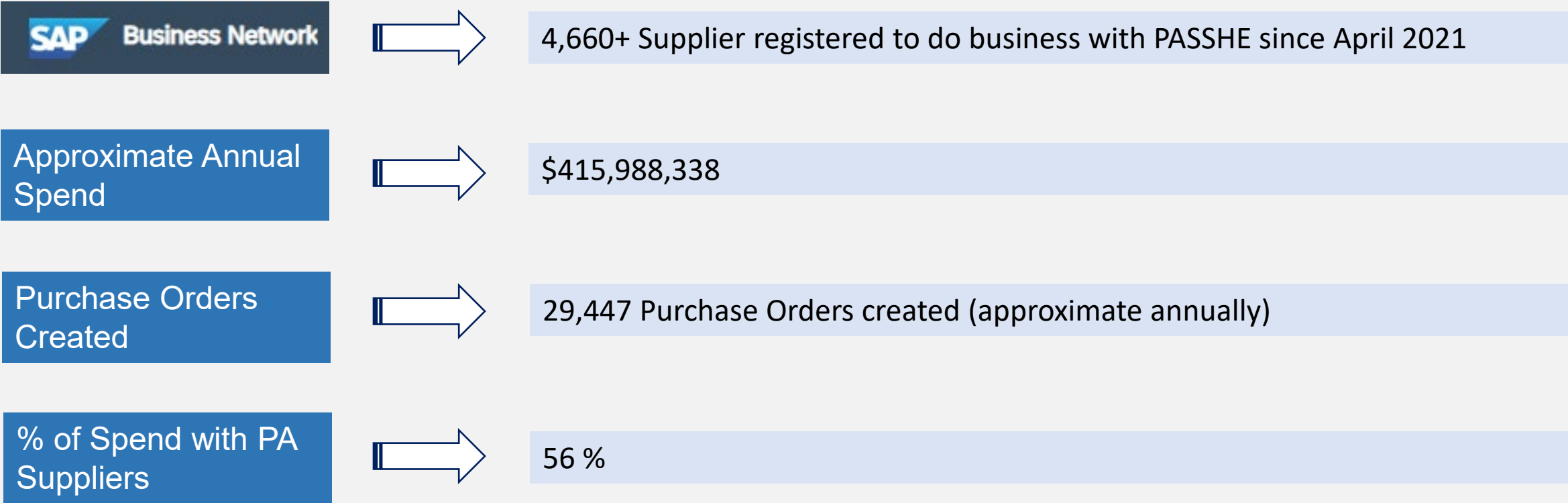
Policies & Procedures

The State System is governed by several Commonwealth Acts, policies, and procedures, such as:

Title 62 Commonwealth Procurement Code (Act 57 of 1998)	Board of Governors Policy 1998-04 A (Procurement of Goods, Services & Construction)	State System Procurement Handbook

Purchasing Cooperatives accessible to PASSHE

Pennsylvania eMarketplace – bidding, award, and contract information on DGS Contracts

Department of General Services

PA eMarketplace

Purchasing Cooperatives and Contracts

Commonwealth of PA Cooperative Purchasing Program

COSTARS Purchasing Program

Intermediate Unit Cooperative Purchasing Programs

➤ PEPPM
➤ Keystone Purchasing Network

National Purchasing Cooperatives

➤ E&I Cooperative Services
➤ NASPO – National Association of State Procurement Officials
➤ OMNIA Partners
➤ SourceWell

Competitive Bidding:

All purchases shall be made in a manner which will maximize the value of all goods and services received for the amount expended. Therefore, competitive bids will be solicited based on PASSHE Guidelines.
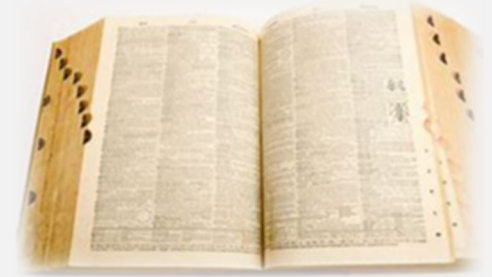
Sourcing Projects

- Request for Information (RFI)
- Request for Quotation (RFQ)
- Request for Proposals (RFP)
- Invitations for Bids (IFB)

Purchase Orders/ Complex Purchases

- Purchase Order – low dollar under the bid threshold
- Purchase Order – with existing contract
- Service Purchase Contract – no existing contract

Sourcing Projects - Definitions

Request for Information (RFI)

- o Used to collect information regarding the capabilities of suppliers
- o Obtain data about features and specifications of a product or service when a business owner and/or Procurement do not have sufficient information to develop an appropriately detailed work statement
- o To be used to gather information for a future solicitation
- o Clarifies competitive requirements – *does not ask for pricing or delivery information*
- o **NOTE:** An RFI cannot be used as a source selection method to procure goods or services. An award cannot be made based on an RFI.

Request for Quotations (RFQ)

- o Purpose is to invite suppliers to provide quotes on specific products or services
- o May be used in conjunction with State System, Commonwealth or cooperative contracts as part of a best-value selection process

Request for Proposal (RFP)

- o Formal competitive solicitation process for the purchase of products or services, or both
- o Allows more extensive factors than price to be considered in the award determination including such items as supplier experience, project plan, design features and scope of services
- o Includes a two-part evaluation, the first being technical proposals, and the second being cost proposals
- o May result in one of the following types of contracts:
  - University Contract – Specific to one university
  - Strategically Sourced Contract (SSC) – System-wide contract that usually includes fixed pricing
  - Qualified Collaborative Contract (QCC) – System-wide multiple-award contracts; the State System qualifies suppliers

Invitation for Bids (IFB)

- o Solicitation process for the purchase of products or services where price is the only consideration in the award determination
- o Contract award must be made to the lowest responsive, responsible bidder. There are no other considerations in determining the award other than price.

Exceptions to Competitive Bidding

- Items available on State contract
- Items available via an Approved Purchasing Cooperative Contract
  - ➤ Purchasing Cooperatives
- Procurement available from agencies for person with disabilities (such as Pennsylvania industries for Blind and Handicapped – UniqueSource)
- Items that have been specified under grant or restricted gift provisions.
- Items being procured under the sole source and/or emergency provisions based on the Commonwealth Procurement code.

All Commonwealth agency contracts under the Commonwealth's Procurement Code and over the bid threshold are to be awarded via a competitive solicitation process unless included within the exceptions to competitive bidding.

The bid threshold is reviewed yearly and increased, as necessary.

Legal Overview

OGC and OAG Representation

The Commonwealth Attorney's Act dictates the legal representation of Commonwealth agencies. In addition to creating the Office of General Counsel, leadership appointed by the governor, the Act establishes the Office of Attorney General (OAG) as an independent office headed by an elected Attorney General.

Legal Thresholds

Approver	$ Threshold	Contract Type
University / Legal Counsel	>$5k	BB, SPC, OA
OAG	>$20k	BB, SPC, OA
OGC	>$750k	BB, SPC, OA
No Approval Required	$0	PO
No Approval Required	$0	Small, No-Bid

PASSHE Procurement Responsibilities

PASSHE Procurement is responsible for complying with all applicable rules, regulations, policies and procedures, including statutory and legal requirements imposed on Commonwealth procurement offices. As such, the State Systems' legal office provides oversight and legal

Prohibited Contract Clauses

➢ Indemnity and Hold-Harmless Clauses
➢ Assignment Clauses
➢ Rolling Renewal Clauses
➢ Governing Law
➢ Courts
➢ Arbitration Clauses
➢ Attorneys' Fees, Contractor's Costs, Entry of Judgement
➢ Student Information
➢ Payment in Advance
➢ Purchase of Insurance

Welcome to Pennsylvania's State System of Higher Education (PASSHE)

Doing Business with PASSHE

Supplier Registration

Pennsylvania's
STATE SYSTEM
of Higher Education
SourcePoint

Welcome to
Doing Business with
the State System

SAP Business
Network

Key Terms when working with the SAP Business Network

SAP Business Network: SAP Business Network is a cloud based hosted service that enables Suppliers and PASSHE to form relationships and conduct transactions electronically. The SAP Business Network is sometimes referred to as SAP Ariba.

SAP Business Network Discovery (Discovery): The Discovery platform is SAP's business-to-business (B2B) e-commerce solution designed for purchasing agents to post immediate supply needs via a sourcing event. Any supplier within the SAP Business Network can respond to solicitations, with no fees.

Supplier Portal: The Doing Business with the State System website will provide suppliers with instructions on doing business with PASSHE using the SAP Business Network.

PASSHE term - SourcePoint: SourcePoint is the name of PASSHE's platform within the SAP Business Network, the SAP Procurement solution that helps Suppliers and PASSHE meet on a single network. This network provides the supplier with tools, resources, and benefits to help build, run, and grow their business.

# Supplier advantages to being a part of the SAP Business Network

The SAP Business Network is a secure, global platform where purchasing agents and suppliers can collaborate on business transactions, and manage Purchase Orders (POs), Invoices, and Catalogs.

Additionally, purchasing agents and suppliers can collaborate on transactions, strengthen their relationships, and discover new business opportunities.

Suppliers can help purchasing agents achieve their procurement transformation goals, collaborating in the cloud to boost customer satisfaction, simplify the sales cycle, and improve cash flow.
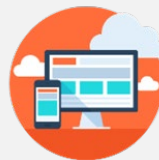
The SAP Business Network gives the suppliers the opportunity to search and automatically receive new business opportunities, gain visibility to new potential customers and markets worldwide.

PASSHE and the SAP Business Network

Why did PASSHE choose this platform?

- The SAP Business Network is the world's largest trading partner community, home to more than 1.2 million companies.
- Seamless transfer of transactional data, including PO details, goods receipts, and invoicing details.
- Cloud-based solution that can be accessed from any location and any device

What will it cost the supplier to be a part of the SAP Business Network?

- There is NO cost to create a Standard SAP Business Network account. Suppliers can use a Standard Account to:
    - Participate in sourcing events,
    - Respond to proposals and questionnaires,
    - Receive purchase orders and process invoicing electronically.
- At any time, Suppliers can upgrade from their Standard Account to an Enterprise Account for an annual fee based on usage (fee determined by Ariba).

Does a Supplier have to register with the SAP Business Network to do business with PASSHE?

- Yes, suppliers will be asked to register with the SAP Business Network to transact with PASSHE.
    - Registering will allow suppliers to search for sourcing events and responding to qualifying solicitations.
    - Registration further allows suppliers to see all PASSHE university solicitations as well as other SAP Business Network customers sourcing events.

How can a supplier get more information about the SAP Business Network, how to register, and how to complete business transactions?

- For guidance with SAP Business Network setup, functionality, PO delivery, or the invoice submission process, please utilize Doing Business with the State System website or reach out to the PASSHE Supplier Management Team (email).

How does a supplier become part of the SAP Business Network

Registering for the SAP Business Network to work with PASSHE

Are you currently working a university staff member, or have submitted a quote?

1) Supplier will work with their PASSHE contact (university contact); this contact will initiate the partnership between your company and PASSHE. The required information needed to begin the process is:

   ✓ Supplier Name
   ✓ Contact Name
   ✓ Contact Email (**NOTE**: the invitation to register will be sent to this email address)
   ✓ Contact Telephone Number

2) Your university contact will submit a Supplier Request.

3) The supplier request will be validated by the PASSHE Supplier Management Team.

4) An email will be sent to the supplier email address provided to begin the registration process.

Supplier Request ⇢ **SAP Business Network Registration** ⇢ **Supplier Registration / Questionnaire** ⇢ **SAP Business Network Discovery**

This step will be initiated by a university/PASSHE representative.

Once supplier request is approved, supplier will be invited to register for the SAP Business Network as a supplier.

After supplier has logged into or created their SAP Business Network account, supplier will be able to access the PASSHE Registration Questionnaire.

When the form is submitted, it will be reviewed by the PASSHE supplier management team, supplier will be notified when registration is accepted.

Supplier does not need an account to view sourcing events on Discovery. Supplier will need an account to respond to events.

Supplier SAP Business Network credentials will also be supplier login for Discovery.

Welcome to Pennsylvania's State System of Higher Education (PASSHE)

Doing Business with PASSHE

Small Diverse Business Outreach

Goals and Objectives

Pennsylvania's State System of Higher Education (State System) supports the promotion of inclusive, equitable, and socially responsible purchasing. We are committed to establishing mutually beneficial relationships with Small Diverse Businesses (SDB) and identifying and enhancing supplier opportunities.

The State System's objectives in this regard include creating a more diverse and inclusive supplier base and providing increased access and opportunity to underrepresented diverse businesses, both locally and nationally, to provide products and services to the State System. By increasing the competitive landscape for State System business opportunities, universities can achieve the best total value when contracting for goods and services and realize valuable cost savings, which can be leveraged for more strategic initiatives.

- **Advocate:** Promote and strengthen the campus-wide understanding on the value of supplier diversity in the supply chain.
- **Identify:** Establish, promote, and maintain a database of certified diverse suppliers that have the viability, business practices and capacity to support university business.
- **Cultivate**: Assist diverse suppliers to expand their knowledge of the State System, provide SDBs with training, and provide opportunities to build and improve relationships that will allow for growth of the SDB sector.
- **Connect**: Introduce and facilitate mutually beneficial business relationships with SDBs, university procurement professionals and their business partners.
- **Align:** Ensure alignment of Procurement's Small Diverse Business initiatives with the broader overall goals and objectives of creating and building sustainable relationships across the Commonwealth.

What is a Small Diverse Business?

The State System is following the same eligibility requirements as promulgated by the Commonwealth of Pennsylvania's Department of General Services, Bureau of Diversity, Inclusion, Small Business Opportunities. Please review the [Application Instruction Guide](#) for those requirements.

Businesses interested in participating as a small business must first register to do business with State System and self-certify as a "small business." To self-certify and participate as a Small Business, a business must meet each of the following requirements:

- The business must be a for-profit, United States business.
- The business must be independently owned.
- The business may not be dominant in its field of operation.
- The business may not employ more than 100 full-time equivalent employees.
- With the implementation of Executive Order 2023-18, the Department of General Services has raised the revenue limit threshold from $38.5 million to $47 million so more small businesses can qualify and seek state contracting opportunities.

When registering, suppliers will have the opportunity to specify that they are an SDB on the State System registration questionnaire. When State System or one of our universities is ready to do business with a supplier, an invitation to register will be sent to the supplier.

How do I Certify as a Diverse Supplier?

First, certification is not a condition of doing business with the State System. State System does not certify suppliers. The State System follows the same certification eligibility requirements as promulgated by the Commonwealth of Pennsylvania's Bureau of Diversity, Inclusion, and Small Business Opportunities. Eligibility requirements and agencies through which suppliers can obtain small business certifications can be found here.

In an effort to increase awareness of procurement opportunities and improve engagement with our SDBs, Procurement Shared Services (PSS) is requesting that SDB suppliers already registered within our network or seeking to do business with us, confirm their information within our system. We strive to increase the depth and diversity of our supplier pool by promoting fair and open access to the business community.

What Action Do I Need to Take?

If you are already registered with the SAP Business Network (formerly Ariba) and transacting with the State System, please confirm your information and upload your SDB certification. This can be done through your Network account. To update your registration, view the Update Supplier Registration Questionnaire on our Doing Business with the State System website.

Welcome to Pennsylvania's State System of Higher Education (PASSHE)

Doing Business with PASSHE

SAP Business Network Discovery (PASSHE Bid Platform)

SAP Business Network Discovery

SAP Business Network Discovery

- The Discovery platform allows suppliers to search for PASSHE solicitations as well as global opportunities.
- Any interested supplier can respond; suppliers can learn more about PASSHE and searching for PASSHE events by looking at the PASSHE Buyer Profile within Discovery.

Create

PASSHE will create a sourcing event which will be posted to the network describing the solicitation details. Discovery will match the event with potential vendors, and suppliers will be able to search for, review, and participate in sourcing opportunities.

Review

Suppliers will be able to securely respond to the posting or ask questions via Discovery.

Select

PASSHE will be able to review the responses from qualified vendors and create a shortlist or award business.

SAP Business Network Discovery – does this sound like something for you?

Does Discovery sound like a matchmaker? It is!

Suppliers will have access to not only PASSHE opportunities, but also to the entire Discovery buyer community.

❖ Discovery represents more than 3,000 global procurement and functional buyers.

❖ Supplier will be automatically notified of new leads based on UNSPSC codes selected during registration.

To find more information on lead generation click here.

What can the supplier see within Discovery

Can a Supplier see what is posted within Discovery without registering?

- A supplier does not need a login to view opportunities on the Business Network Discovery.
  - Beware – a supplier can view postings, however if they do not register with the SAP Business Network, the supplier will not be able to retrieve RFP documentation, nor will they be able to submit proposals.
- It is recommended that suppliers register with the SAP Business Network and log in with their credentials for the best user experience.

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SourcePoint

If a supplier does not have an account and does not want to register currently, suppliers are still able to view postings by visiting the SAP Business Network Discovery website.

SAP | Business Network Discovery ▾

SAP Business Network Discovery Log In

Trading Partners: Use your SAP Business Network user ID and password

Enter Username

Enter Password

Forgot Username
Forgot Password

Log In

Ariba Discovery is now SAP Business Network Discovery

New features and functionalities have been added and old functionalities have been replaced.

Learn More   Explore Leads

New user? Register here for FREE!

Join the network of companies that already depend on SAP Business Network to help establish new business relationships!

Register as a **Buyer** and enjoy these privileges:

▶ **Automated distribution** of your Discovery Posting to qualified suppliers
▶ **Receive and manage** supplier responses with an online dashboard
▶ **Search and discover** new suppliers in over 12,000 categories

Register as a **Supplier** and enjoy these privileges:

▶ **Search and automatically receive** new business opportunities
▶ **Gain visibility** to new potential customers and markets worldwide
▶ **Build your reputation** among a community of leading purchasing organizations

Register as Buyer   Register as Supplier

If supplier does not have an account and does not want to register (it's free!), simply click Explore Leads,

If supplier already has an SAP Business Network account, supplier can use those credentials to log in.

If your company is not yet a registered supplier, click here to register as a Supplier.

Searching within Discovery

❖ Sort for Lead Types

How to Respond to a posting

After reviewing the sourcing event, the Supplier can

❖ "Respond to Posting"

❖ "Add to Watchlist"

❖ Indicate that they are not interested.

Questions may be asked from this screen, as well.

Discovery – how does it work?

Upon the close of the sourcing event, the PASSHE sourcing contact downloads the proposals for review, scoring and award.

What happens next?

- If Technical Proposals are required, typically for RFP's, they are downloaded by the PASSHE sourcing contact and reviewed for validity and responsiveness.
- The Technical Proposals that are determined to be responsive are forwarded to the RFP Committee for scoring.
  - All Offerors' Technical Proposals that score at least a minimum of 75% of the total available technical points will move on to cost scoring.
- If only Cost Proposals are required, typically for RFQ's, the PASSHE sourcing contact completes the cost proposal scoring.
  - **Single-Award Contract** – The Offeror with the highest combined score is awarded the contract.
    - If Cost Proposals were the only requirement, the Offeror with best pricing wins the award.
  - **Multiple-Award Contracts** –
    - Offerors that scored at least a minimum of 75% of the technical points in an RFP sourcing event, and have presented satisfactory cost proposals, are awarded contracts.
    - Multiple-line RFQ's may be awarded to more than one Offeror.

Links from within the Supplier Registration and SAP Business Network Discovery

SAP Business Network

Doing Business with the State System website

PASSHE Supplier Management Team (email)

SAP Business Network Discovery

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