

GEORGETOWN UNIVERSITY



FINANCIAL AFFAIRS MANUAL

Issuing Department Purchasing and Contracts/Consolidate d Billing	Topic: Preferred and Exclusive Relationships	Policy # FA 124- 07	
New <input checked="" type="checkbox"/>	Revised	Supersedes Policy #	Effective Date May 1, 2007

124.01.1 **Policy** Preferred and Exclusive Vendor Relationships

124.01.2 **Statement**

Preferred vendors have contracts in place, approved by Purchasing and Contracts for goods and services. The use of Preferred Vendors is strongly encouraged by P&C as they have been researched to provide the best terms and conditions for the University. Departments are strongly encouraged to use preferred vendors and are required to use Exclusive vendors (such as Xerox).

Failure to comply with this policy can result in disciplinary action up to and including dismissal under Human Resources Policy #302.

http://www3.georgetown.edu/hr/employment_services/policies.html.

124.01.3 **APPLICABILITY:**

The policy applies to all University employees that are responsible for soliciting bids and quotes, or enter into agreements with vendors for goods and services.

124.01.4 **Purpose**

To establish and maintain contracts and agreements with vendors listed as the Preferred or Exclusive Vendor for the purpose of procuring specific goods or services for the University at special pricing. Vendors should not assume that they have preferred or exclusive rights to the University without a written contract or agreement approved by P&C.

124-03.4 **Administration**

All contracts pertaining to the purchase of good and services, licensing, and the leasing or rental of equipment must be reviewed by P&C prior to the signing by Georgetown department personnel, regardless of cost. Also refer to the Signature Authorization policy at <http://financialaffairs.georgetown.edu/policytc.html>

124.01.5 **Definitions**

1. Request for Quote or Request for Proposal is an invitation to potential vendors to present offers or bids to perform a service or provide a product (or both).
2. Preferred and Exclusive Vendors are vendors who have a written contract or agreement with the University and have been given a Preferred or Exclusive status after the contract negotiations have been completed.
3. Exclusive Vendors are those that meet the single/sole source criteria and contracts entered into because of the special nature/provisions in the contract such as Xerox.

** Not all vendors under contract are given the status of preferred or exclusive but simply are under contract to perform a service or supply goods at the stated time.

124.01.6 **Responsibility**

Department personnel with the authority to solicit proposed business agreements must first contact Purchasing and Contracts. Request for Quotes and Proposals will be drawn up by the Contracts Manager with the assistance of the requisitioning department. Purchasing and Contracts will determine if a contract already exists for the required goods or services. If such an agreement exists, Purchasing and Contracts will notify the department of the existing contract and forward the request to the Purchasing Agent responsible for that particular service or commodity. The Purchasing Agent will follow-up with the department to get a requisition and make sure all authorized signatures are in place. An order will be placed after the Purchasing Agent has received all required documentation. If an agreement does not exist, the Purchasing and Contracts reserves the right to solicit additional bids for goods and services and is responsible for the final selection of vendors. After a selection has been determined, the contract will be written by Purchasing and Contracts (there is a difference between a Request for Quote/Proposal and an actual contract – see 124.01.5). When applicable the contract will become a Master Contract available for all university campuses.

124.01.7 **Enforcement**

The policy will be enforced by Financial Affairs.

Departmental budgets may be charged to remedy unfavorable contracts including legal fees. If a department does not have a contract reviewed prior to signature or verbal commitment, it also stands the risk of losing other purchasing privileges and personnel involved in avoiding this policy face disciplinary action, up to and including termination.

The statement above was taken from the Contract Policy under section 101.8

124.01.8 **Resources**

Financial Affairs policies and procedures located on website
<http://financialaffairs.georgetown.edu/procure>

124.01.9 **Approval**

Executive Committee for exclusive contracts, all others by the Manager, Purchasing
and Contracts

124.01.10 **Review Cycle**

All contracts with Preferred and Exclusive Vendors will be reviewed on a quarterly
Basis to ensure that the vendors are meeting all the specifications, terms and conditions
as stated in the contract.

Policy will be reviewed review yearly or as required.