SECTION 7: ACQUISITION PROCEDURES

SUBJECT: ANNOUNCEMENT OF APPARENT SUCCESSFUL BIDDER Procedure #7.5.6

POLICY: The University, as a Washington state agency, is required to announce the apparent

successful bidder (ASB) after a formal solicitation, but prior to entering into negotiations

with the ASB or creating a contract.

The ASB process does not include the use of a Letter of Intent (LOI).¹ An LOI is

commonly used when a purchase is subject to Regents' Approval.²

PROCEDURE: Upon receiving and evaluating all bids in a formal competitive solicitation,³ the University will announce the apparent successful bidder (ASB). The ASB is the most responsive and responsible bidder as determined by the bid evaluation process⁴ and

must be announced prior to entering into negotiations with the ASB.5

Typically, for solicitations completed in the Ariba sourcing module, the ASB will be announced by an email message that the Ariba system will generate and the buyer will customize and send to all bidders. For other solicitations, the buyer will inform the ASB and other bidders via email of the award decision.

In addition to the method used for announcing the ASB, University must post the award decision in WEBS in accordance with <u>Policy 7.5.3</u>. After the announcement of the ASB, unsuccessful bidders will have three (3) business days to submit a request for a debriefing conference.⁶ Once a debriefing conference has been held, that bidder has 5 (five) business days to submit a protest.

Once the apparent successful bidder has been announced, records related to the solicitation are public records subject to public records requests. Negotiations with the ASB may begin as soon as the ASB has been announced, but no contract should be

¹ A Letter of Intent is a quasi-contractual document that is signed by the parties prior to entering into a formal contract which spells out the intent of the parties, along with certain legally enforceable promises. The University does not typically issue LOIs for most purchases. If the procurement is competitive, the University will announce the Apparent Successful Bidder (ASB) and enter into negotiations with the ASB. An LOI is generally unnecessary. If the circumstances of a particular procurement require the use of a Letter of Intent, it should be carefully negotiated with the vendor. The Letter of Intent should never include a promise to contract with the vendor or a guarantee that documents will remain confidential, but may include a promise to negotiate in good faith or not to improperly use confidential information without compensation.

² See Policy 7.4.6

³ Procurements exceeding \$100,000. <u>RCW 28B.10.029</u>.

⁴ DES Policy #170-00, interpreting RCW 39.26.160(6).

⁵ RCW 39.26.160(2)

⁶ See <u>Policy 10.1</u> for the Debrief/Protest Procedure language, which must be included in all solicitations. 3 waiting period as required in DES 170-00.

⁷ See Policy 2.6

finalized until any protests are resolved and the protest period has ended.

Letter of Intent

NAME

Procurement Services University of Washington 3917 NE University Way Seattle, WA 98105

Date

Name of Company or Responsible Official:

This Letter of Intent is written as part of [Solicitation Number], "Solicitation", dated [Date]. The University of Washington and [Company Name], hereinafter referred to as "Parties" or "the Parties" intend to enter into a contract for [Company Name] to provide [Goods and/or Services], as described in the Solicitation, to the University of Washington. The completion of such contract shall be contingent upon reaching agreement on all material contract terms.

Additionally, the completion of any contract shall be contingent upon the successful completion of [State any additional steps that need to occur prior to contracting; examples include: walkthroughs from multiple vendors, demonstrations, test cases, etc].

This letter should not be interpreted as a promise to contract or a guarantee that a contract will be executed. No contract, agreement, purchase order, purchase or other instrument will be issued prior to negotiation and agreement upon a complete scope of work and appropriate terms and conditions. The Parties anticipate that a contract will be executed within approximately [time period]; however the passage of [time period] shall not affect the Parties' ability to contract.

Sincerely,

Name

Procurement Services University of Washington 3917 NE University Way Seattle, WA 98105

Name

Division/Department Name
Organization Name
Street Address
City, State Zip Code