



**pennsylvania**

DEPARTMENT OF GENERAL SERVICES

**SAP**

**S**upplier  
**R**elationship  
**M**anagement

**SRM Sourcing**  
**Fundamentals**

Course Number: SRMFUND-PostSRM7.0

V001



# Welcome

## **Welcome to SRM Sourcing Fundamentals!**

**This course is designed to provide Purchasing Agents, DGS Commodity Specialists, and Approvers with an introduction to the use of SRM 7.0 as a procurement and sourcing tool**

Select the NEXT button to continue



**NEXT**

# Course Navigation

This course is presented on a series of slides.  
Navigate through the slides by selecting the NEXT or PREVIOUS button.

Access the course menu by selecting the MENU button.



PREVIOUS



NEXT

Selecting underlined terms displays a glossary entry.

You may exit the course at any time. When you return to the course, you can choose to resume the course or start from the beginning.

Select the NEXT button now to start the course.



# Course Menu

**This course contains three lessons and a glossary with common procurement terminology:**

**Lesson 1: Introduction to SRM Sourcing**

**Lesson 2: Solicitations and Responses**

**Lesson 3: Contracts and Purchase Orders**

**Course Survey**

**Glossary of Terms**

Select a button to go directly to a lesson or the NEXT button to start the course at Lesson 1.



# Lesson 1: Introduction to SRM Sourcing

## Lesson 1

# Introduction to SRM Sourcing



# Lesson 1: Introduction to SRM Sourcing

After successfully completing Lesson 1 you will be able to:

- Explain what SRM is and its benefits
- Recognize SRM Sourcing key concepts



# Lesson 1: Introduction to SRM Sourcing

Let's start by explaining SRM and its benefits



# Lesson 1: Introduction to SRM Sourcing

SRM is a software tool which supports procurement from the creation of a shopping cart through the Purchase Order (PO) and provides the tools needed to collaborate with suppliers.



MENU



# Lesson 1: Introduction to SRM Sourcing

The goal of SRM is to provide end-users with a web-enabled purchasing and payment solution that makes procurement easier for all agencies by:

- Simplifying and standardizing purchasing throughout the Commonwealth
- Reducing processing costs by increasing department productivity
- Providing a fast, efficient, and dependable process for order placement, goods receipt, and invoice accuracy



# Lesson 1: Introduction to SRM Sourcing

- Operational Procurement activities were upgraded to SRM 7.0
  - SRM is being used to process sourcing and supplier collaboration activities

## Operational Procurement

- Carts are created
- Work is streamlined with Auto-POs and P-Card purchases
- Supplier punch-out catalogs are available

## SRM Sourcing

- Carts are evaluated
- Document creation is enhanced with standard clauses and terms
- Procurement cycle time is reduced through automation
- Contracts and POs are issued

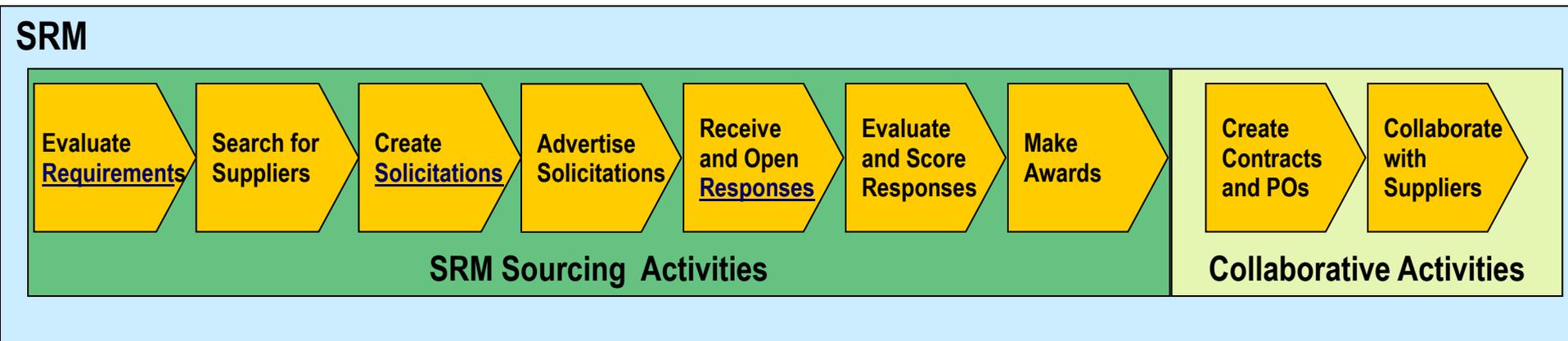
## Supplier Collaboration

- Suppliers submit electronic documents
- PA Supplier Portal facilitates Solicitation information
- Suppliers maintain company and catalog information
- Suppliers participate in online procurement activities



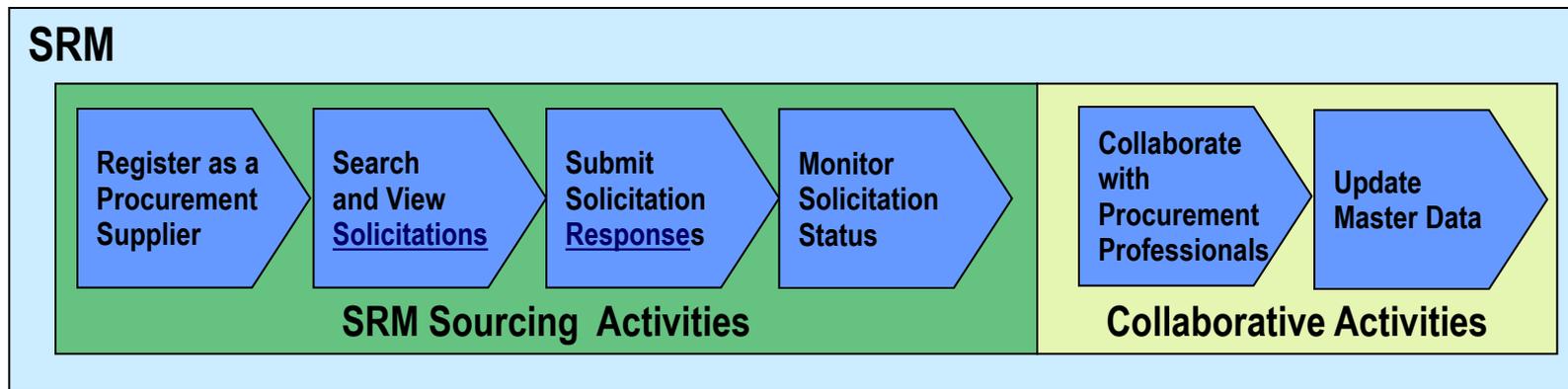
# Lesson 1: Introduction to SRM Sourcing

SRM is useful to you as a procurement professional throughout the procurement process because it allows you to:

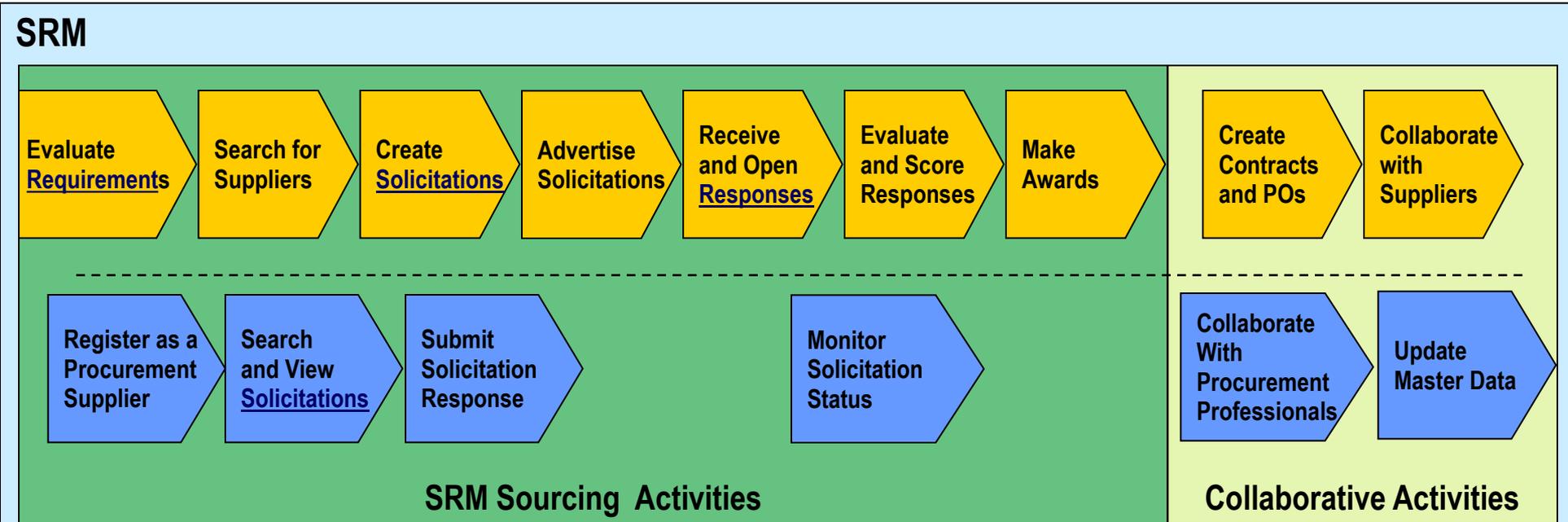


# Lesson 1: Introduction to SRM Sourcing

SRM is useful to suppliers throughout the procurement process because it allows them to:



# Lesson 1: Introduction to SRM Sourcing



The use of SRM benefits both procurement professionals and suppliers because it...



MENU



# Lesson 1: Introduction to SRM Sourcing

Allows you and the supplier to focus on value-added procurement activities by:

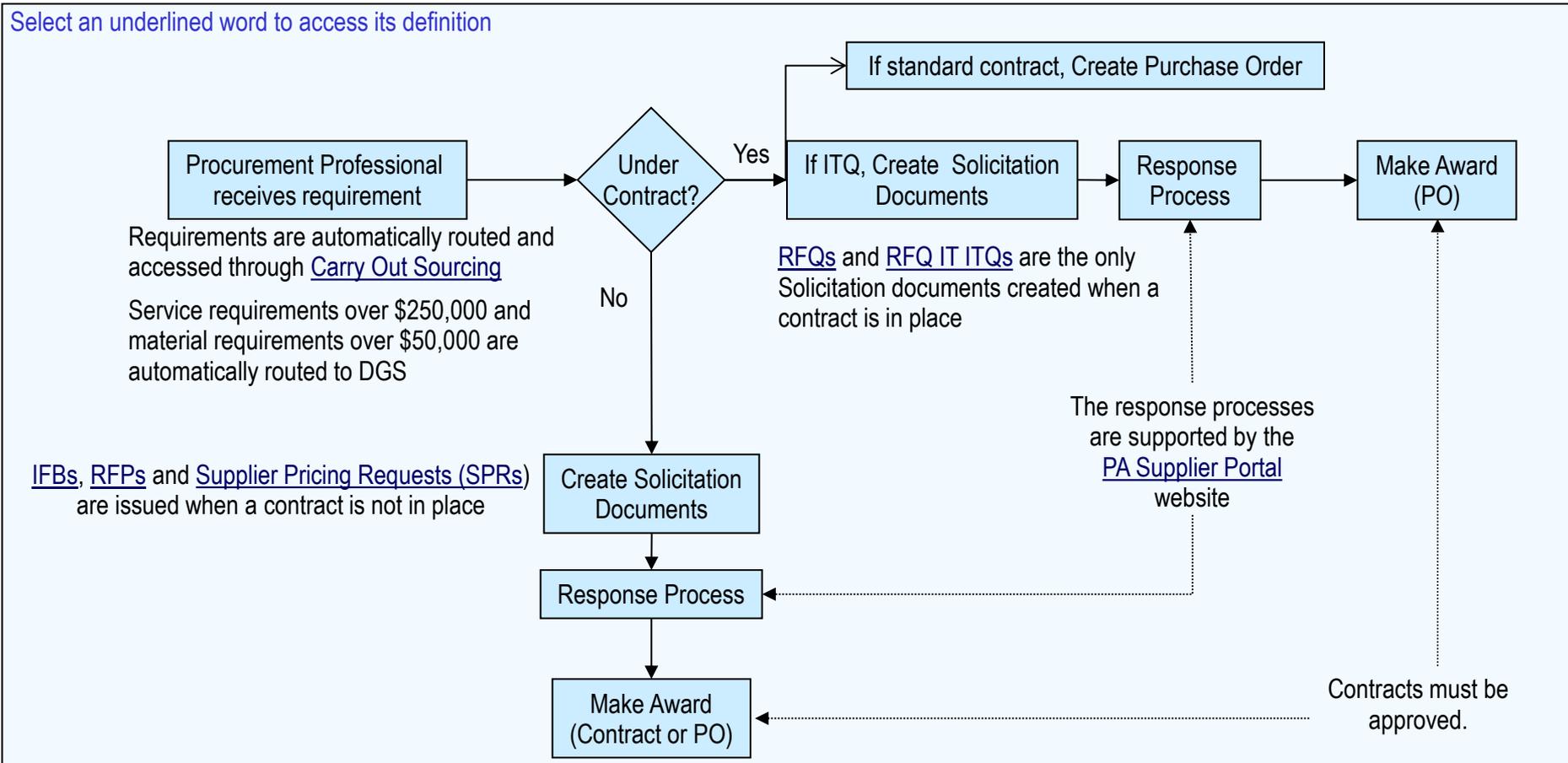
- Reducing manual procurement processes
- Providing for web-based collaboration between the Commonwealth and suppliers
- Implementing electronic bidding
- Seamlessly interfacing with SAP R/3



# Lesson 1: Introduction to SRM Sourcing

Basic procurement processes remain the same

Select an underlined word to access its definition



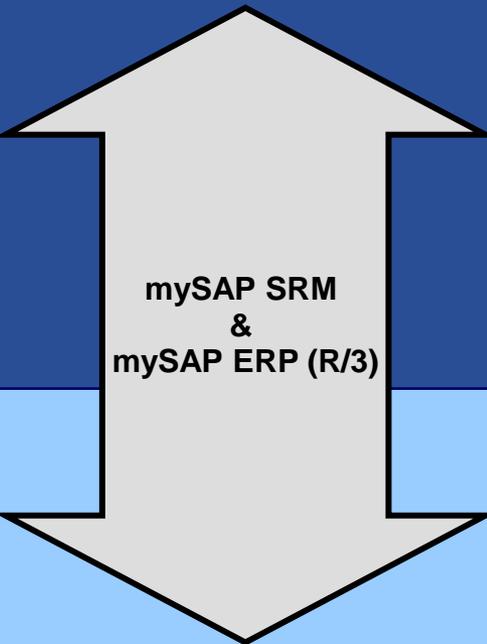
MENU



# Lesson 1: Introduction to SRM Sourcing

SRM integrates with the SAP ERP (R/3) procurement system to ensure accurate procurement processes and data capture for all procurements

## mySAP SRM



- RFx Capability
- Auctions
- Contract Management
- System Generated Orders (Auto-PO)
- Material Service Contract Catalog (MSCC)
- Supplier website shopping (Punch-Out Catalogs)
- Supplier Registration
- Order Collaboration
- Reporting
- Plan Driven Procurement
- Periodic Invoicing Plan
- ESS

## mySAP ERP (R/3)

- Material Master data
- Vendor Master data
- Financials
- Accounts Payable
- Market Price Contracts
- Flexible Real Estate
- Construction
- TOC Contracts
- MRP/Inventory & Warehouse Management



MENU



# Lesson 1: Introduction to SRM Sourcing

To view a table highlighting the differences between SRM 5.0 and SRM 7.0 as they relate to sourcing, select the SRM 5.0 vs. SRM 7.0 button

To view a list of improvements from utilizing SRM 7.0, select the SRM Improvements button

**SRM 5.0 vs. SRM 7.0**

**SRM Improvements**



MENU



# Lesson 1: Introduction to SRM Sourcing

Key concepts affecting procurement professionals:

Using SRM

- SRM is the primary system for the creation and management of procurement documents

Automatic Routing

- Procurement documents are automatically routed to identified approvers

Document Generation

- SRM generates Solicitations, Contracts and POs through the use of a tool called [Document Builder](#)

eBidding

- Procurement professionals access and review electronically submitted [responses](#) through SRM

Electronic Collaboration

- Procurement professionals can share information and documents with suppliers through a website called [PA Supplier Portal](#)



MENU



# Lesson 1: Introduction to SRM Sourcing

Key concepts affecting suppliers:

**Supplier Registration**

- All procurement suppliers must register in SRM prior to submitting responses

**Electronic Collaboration**

- The [PA Supplier Portal](#) provides suppliers with access to responding to Solicitations and procurement documents
- The PA Supplier Portal Supports communication between the Commonwealth and the supplier

**Supplier Self Service**

- Through the PA Supplier Portal, Supplier Self Service allows suppliers to electronically submit invoices and manage catalogs and company data. It also provides for order, delivery, and invoice collaboration



MENU



# Lesson 1: Introduction to SRM Sourcing

You've completed Lesson 1 and now have the information to:

- Explain SRM Sourcing and its benefits
- Recognize SRM Sourcing key concepts

Please answer the following questions before moving on to Lesson 2.



# Lesson 1: Knowledge Check

1. Select the statements that correctly describe how SRM Sourcing allows procurement professionals to shift their focus to value-added procurement activities.
  - a) Reducing manual procurement processes
  - b) Providing for web-based collaboration between the Commonwealth and suppliers
  - c) Implementing electronic bidding



# Lesson 1: Knowledge Check

2. Select the statements that correctly describe the tasks procurement professionals perform with SRM.
  - a) Evaluate requirements
  - b) Generate Solicitations, Contracts and POs
  - c) Share information and documents with suppliers through a website called PA Supplier Portal
  - d) Issue checks to suppliers



# Lesson 1: Knowledge Check

3. The implementation of SRM includes which of the following concepts.
- a) The use of SRM as a secondary procurement system
  - b) eBidding
  - c) Automatic routing
  - d) Document generation
  - e) Supplier registration
  - f) Supplier self service



# Lesson 1: Knowledge Check

4. Select the statements that correctly describe workflow guidelines.
  - a) RFQs, and RFPs are the only procurement documents created when a contract is in place
  - b) The PA Supplier Portal provides suppliers with access to procurement documents
  - c) IFBs, RFPs, and Supplier Pricing Requests (SPRs) are issued when a contract is not in place



# Lesson 2: Solicitations and Responses

Thank you for answering the Knowledge Check questions.

You are now ready to learn about the changes to the Solicitation and response processes.



# Lesson 2: Solicitations and Responses

## Lesson 2

# Solicitations and Responses



# Lesson 2: Solicitations and Responses

After successfully completing Lesson 2 you will be able to:

- Describe Carry Out Sourcing
- Define the Solicitation and Response processes



# Lesson 2: Solicitations and Responses

Carry Out Sourcing is our starting point, as it enables you to access the requirements needing your attention.



MENU



# Lesson 2: Solicitations and Responses

- Carry Out Sourcing
  - Used to access requirements (shopping carts)
  - Accessed through Myworkplace (<http://www.myworkplace.state.pa.us>)

A benefit of Carry Out Sourcing is that SRM automatically populates it with requirements based on established guidelines and approval thresholds. SRM also allows you to identify to whom a requirement is assigned and its status.



# Lesson 2: Solicitations and Responses

- There are two ways to respond to requirements in the Carry Out Sourcing:
  1. Solicitation
  2. PO

Select a term to view its description.



# Lesson 2: Solicitations and Responses

## – Solicitation

- A request for registered suppliers to submit an offer to provide materials or services to the Commonwealth
  - Solicitations for services in excess of \$250,000 or materials in excess of \$100,000 are routed by DGS
  - Solicitations under these amounts are created by the Agency
- SRM is used to create and manage the Solicitation

Back

# Lesson 2: Solicitations and Responses

## – PO

- SRM is used to create POs against existing contracts or as a follow-on document to a Solicitation

Back

# Lesson 2: Solicitations and Responses

Now that you have an understanding of Carry Out Sourcing, let's review the Solicitation process.



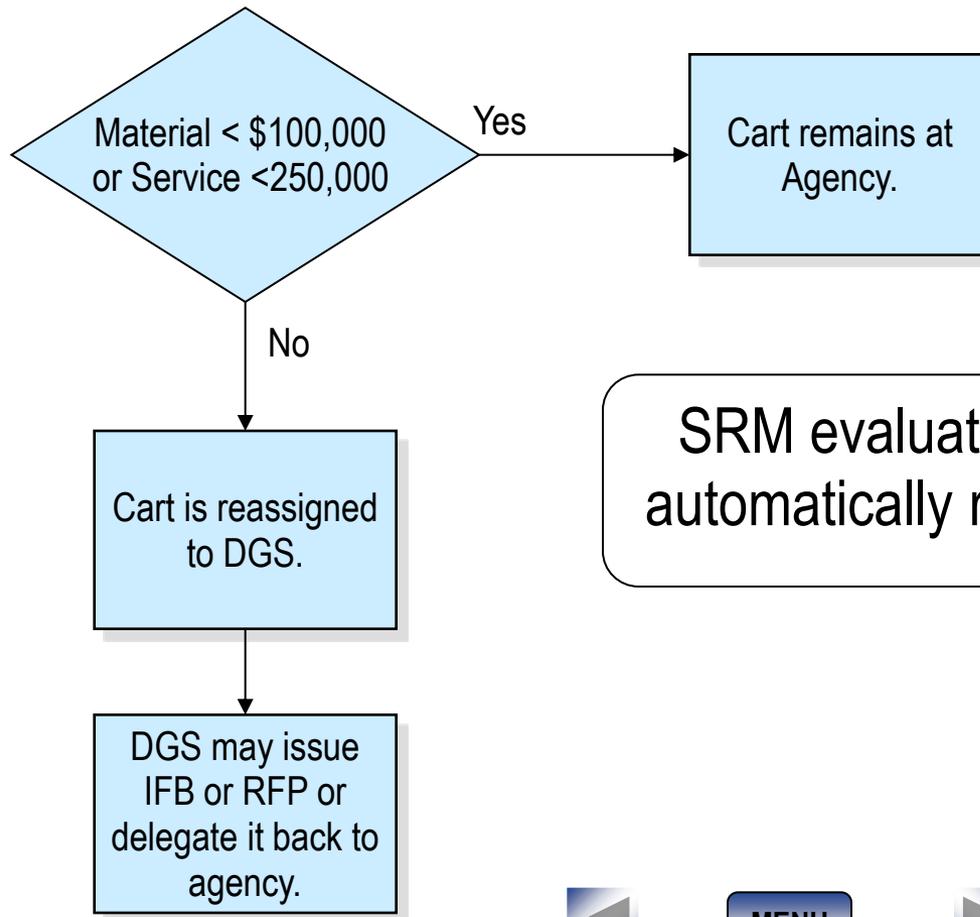
# Lesson 2: Solicitations and Responses

1. Requirements may be automatically routed to DGS
2. You will use SRM to create five different Solicitation types
3. The Solicitation type is dependent on the needs of the requirement
4. Solicitations must be approved
5. Solicitations are posted to the PA Supplier Portal



# Lesson 2: Solicitations and Responses

Carts may be automatically routed to DGS.



SRM evaluates the value of the cart and automatically routes it to DGS if necessary.



MENU



# Lesson 2: Solicitations and Responses

## Five Solicitation Types

1. IFB: Invitation for Bid
2. RFP: Request for Proposal
3. RFQ IT ITQ: Request for Quote – IT ITQ (Invitation to Qualify)
4. RFQ: Request for Quote
5. SPR: Supplier Pricing Request

Select a term to view its description.



# Lesson 2: Solicitations and Responses

## 1. IFB: Invitation for Bid

- Issued when no contract exists and the material or service can be uniquely specified
- Document Builder is used to create the IFB
- Responses are competitive and sealed
- Award is based on price
- Opening is public

[Back](#)

Pay close attention to the difference between an IFB and an RFP. Both are issued when no contract exists. An IFB is issued when the material or service can be uniquely specified.

# Lesson 2: Solicitations and Responses

## 2. RFP: Request for Proposal

- Issued under two conditions:
  - No contract exists
  - The supplier must develop and propose the solution
- Document Builder is used to create the RFP
- Responses are competitive and sealed
- Award is based on criteria specified in the RFP; this normally includes a technical response, cost component, and small diverse business (SDB)
- Best and final offers may be sought and accepted
- Opening is not public

Back

An RFP is issued when the supplier must develop and propose a solution or when an information technology solution with a value over \$5M is requested.

# Lesson 2: Solicitations and Responses

## 3. RFQ IT ITQ: Request for Quote – IT ITQ

- Issued to suppliers on an existing contract
- Requests a price quote and solution information for IT procurements less than \$5 million
- Document Builder is used to create the RFQ IT ITQ
- Award is based on best value
- Opening is not public

An RFQ IT ITQ is issued for price quotes and solution information for IT procurements less than \$5 million.

Back

# Lesson 2: Solicitations and Responses

## 4. RFQ: Request for Quote

- Issued to suppliers identified on an existing multiple award contract
- Requests a price quote for *non-information technology* solutions
- May also request additional information, such as service or delivery terms
- Because the contract already exists, Document Builder is not used
- Award is based on best value
- Opening is not public

Back

Be careful with the term RFQ, it is issued under the specific circumstances stated here.  
Do not use it as a generic term or as a reference to all Solicitation types.

# Lesson 2: Solicitations and Responses

## 5. SPR: Supplier Pricing Request

- Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source
- Document Builder is used to create the SPR
- The agency adds justification to the cart and transfers it to DGS (for materials only)
- DGS creates the SPR and issues the PO for materials; the agency create the SPR and issues the PO for services
- Opening is not public

SPRs are used when the use of a sole source is justified.

Back

# Lesson 2: Solicitations and Responses

## Solicitation summary review

Type	Conditions	Requests	Award Criteria
IFB	No Contract	Requests a bid when the solution is uniquely specified.	Award is based on price.
RFP	No Contract or IT ITQ request over 5M	Requests a proposal when a supplier's solution is needed and/or for IT procurements more than \$5M.	Proposed solution evaluated on RFP criteria for selection; best and final offers may be solicited.
RFQ	Existing non-ITQ Contract	Requests a price quote for a non-IT item.	Award is based on best value.
RFQ IT ITQ	Existing IT ITQ Contract for IT request under 5M	Requests a price quote for an IT item less than \$5M.	Award is based on best value.
SPR	No Contract	Requests pricing information about a specific item.	Agency acceptance of the SPR triggers DGS involvement.

Note: RFIs (Requests for Information) remain outside of SRM.

Select the PREVIOUS button to review the details of each Solicitation type. Select the NEXT button to continue.



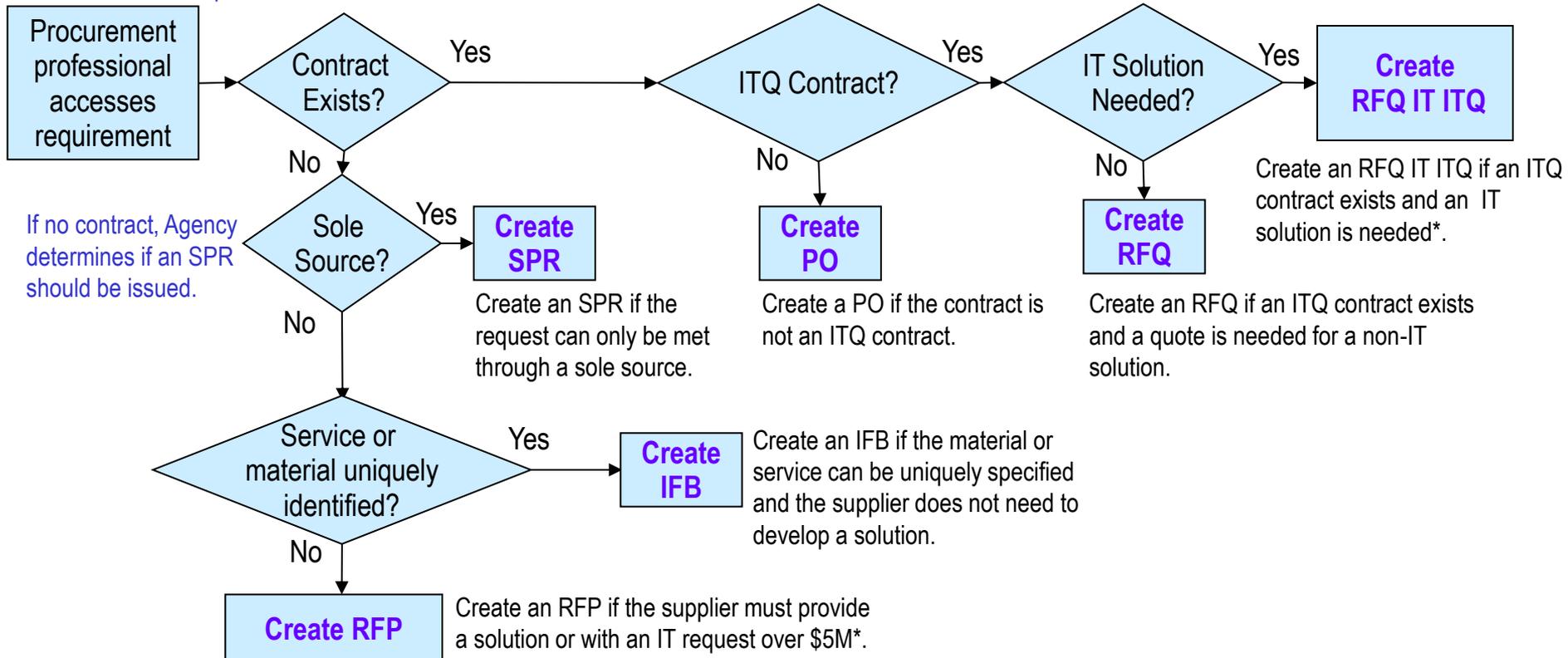
MENU



# Lesson 2: Solicitations and Responses

## Solicitation type depends on the requirement's needs

First criterion is the presence or absence of a contract.



\*Create an RFP for IT requests over \$5M.



# Lesson 2: Solicitations and Responses

Solicitations must be approved

Document Type	# of Approvals	Level of Approvals
IFB	1	Agency Head
RFP	2	Agency Head, Agency Legal
RFQ	<i>ad hoc</i>	Solicitation Invitation Ad Hoc
RFQ IT ITQ	2	Agency Head, Agency Legal
Supplier Pricing Request (SPR)	1	Agency Head

**Comptroller not in process except for Non-Standard Terms and Conditions**

You don't need to worry about forwarding Solicitations for approval, SRM automatically routes them for you.



# Lesson 2: Solicitations and Responses

- Upon receipt of a Solicitation, an approver can accept or reject the Solicitation
- Rejected Solicitations are returned to their originator for edits
- If a rejected Solicitation is edited it is re-routed to the appropriate approvers

Approving Solicitations prior to their release ensures accuracy and diminishes misinterpretations, which hinder the procurement process.



# Lesson 2: Solicitations and Responses

## Solicitations are posted to the PA Supplier Portal

- SRM immediately posts Solicitations to the PA Supplier Portal after approval
- Registered suppliers access the Solicitations through the portal on the start date
- Suppliers receive Solicitation notices through e-Alerts
- Supplier access may be restricted or public
  - IFBs and RFPs are available to all registered suppliers
  - RFQs, RFQ IT ITQs, and SPRs can be restricted to identified suppliers

Solicitations are still advertised on eMarketplace. Review the following slide for an overview of the posting and advertising process.

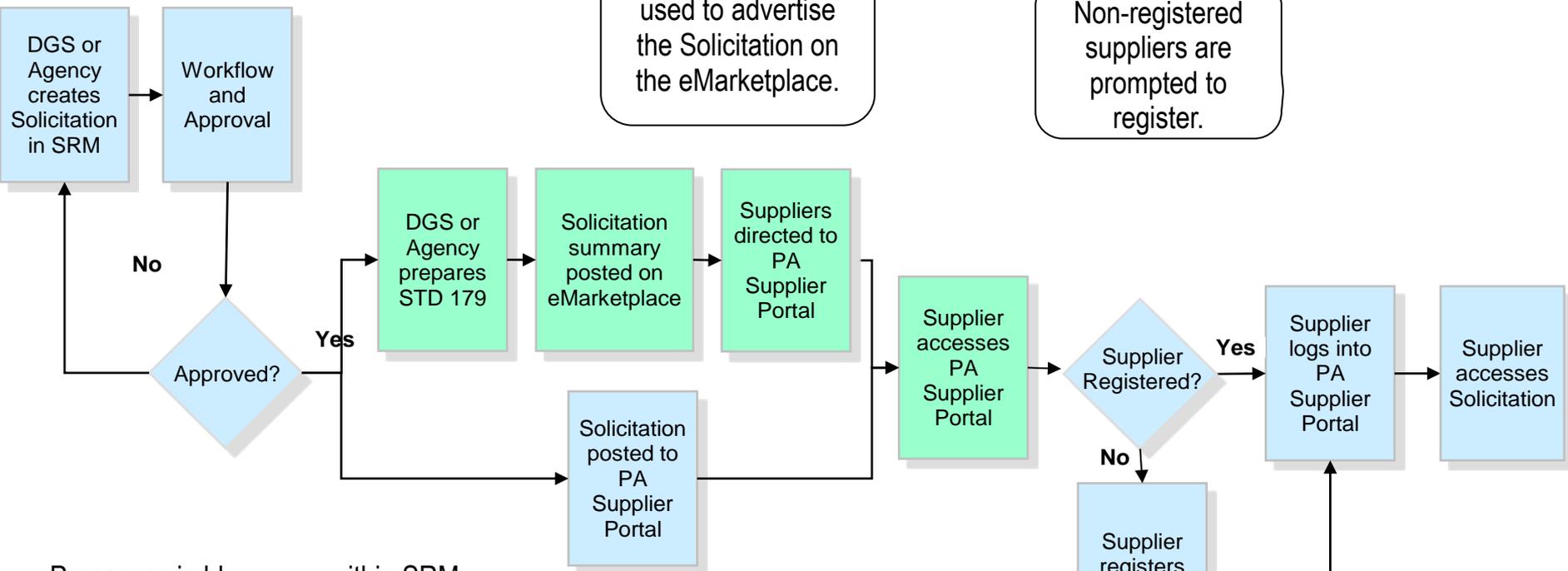


# Lesson 2: Solicitations and Responses

## Posting Solicitations

The STD 179 is used to advertise the Solicitation on the eMarketplace.

Non-registered suppliers are prompted to register.



- Processes in blue occur within SRM
- Processes in green occur outside of SRM



MENU



# Lesson 2: Solicitations and Responses

- Solicitations can be edited after being posted
  - After the edits and corrections are made in SRM the updated Solicitation is automatically routed to the approvers as needed
  - After approval, the STD 179 Request to Advertise form needs to be updated and submitted
  - The original version of the Solicitation remains available on the PA Supplier Portal until the edits are approved
  - SRM automatically posts the corrected Solicitation to the PA Supplier Portal



# Lesson 2: Solicitations and Responses

We covered a lot of material. Let's take a moment and review.

Carts may be automatically routed to DGS

1. You will use SRM to create five different Solicitation types
2. The Solicitation type is dependent on the needs of the requirement
3. Solicitations must be approved
4. Solicitations are posted to the PA Supplier Portal

Select the SOLICITATION PROCESS button to review the process workflow.

**Solicitation Process**



**MENU**



## Lesson 2: Solicitations and Responses

Now that you have worked through another Lesson, take a moment and test your understanding with the following Knowledge Check.



MENU



# Lesson 2: Solicitations and Responses

1. Select the Solicitation best described by the following:
  - Issued when no contract exists and the material or service can be uniquely specified
  - Responses are competitive and sealed
  - Award is based on price
  - Opening is public

**RFP**

**RFQ**

**RFQ IT ITQ**

**IFB**

**SPR**



**MENU**



# Lesson 2: Solicitations and Responses

2. Select the Solicitation best described by the following:
- Issued when no contract exists
  - Solutions are developed and proposed by the suppliers
  - Responses are competitive and sealed
  - Award is based on identified criteria
  - Best and final offers may be sought and accepted
  - Opening is not public

**RFP**

**RFQ**

**RFQ IT ITQ**

**IFB**

**SPR**



**MENU**



## Lesson 2: Solicitations and Responses

3. Select the Solicitation best described by the following:
  - Issued to suppliers on an existing contract
  - Requests a price quote and solution information for IT procurements less than \$5 million
  - Award is based on best value
  - Opening is not public

**RFP**

**RFQ**

**RFQ IT ITQ**

**IFB**

**SPR**



**MENU**



# Lesson 2: Solicitations and Responses

## 4. Select the Solicitation best described by the following:

- Issued to suppliers identified on an existing multiple award contract
- Requests a price quote for non-information technology solutions
- May also request additional information, such as service or delivery terms
- The only Solicitation in which Document Builder is not used
- Award is based on best value
- Opening is not public

**RFP**

**RFQ**

**RFQ IT ITQ**

**IFB**

**SPR**



**MENU**



# Lesson 2: Solicitations and Responses

5. Select the Solicitation best described by the following:
- Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source
  - Document Builder is used to create
  - The agency adds justification to the cart and transfers it to DGS
  - DGS issues the PO for materials; the agency issues the PO for services
  - Opening is not public

**RFP**

**RFQ**

**RFQ IT ITQ**

**IFB**

**SPR**



**MENU**



# Lesson 2: Solicitations and Responses

You now have an understanding of the Solicitation process in SRM.

Now we will take a look at the response process.



# Lesson 2: Solicitations and Responses

1. Suppliers access Solicitations through the PA Supplier Portal
2. Suppliers submit the cost component of their responses through SRM
3. Suppliers can edit their response until the end date has been reached
4. SRM may be used during the Bid Opening to evaluate costs



## Lesson 2: Solicitations and Responses

Suppliers access Solicitations through the PA Supplier Portal.

- Public Solicitations (RFPs and IFBs) can be accessed by registered suppliers
  - Non-registered suppliers can view the information posted to eMarketplace; they are also prompted to register
- Restricted Solicitations (RFQs, RFQ IT ITQs, and SPRs) can be accessed by identified suppliers



# Lesson 2: Solicitations and Responses

Suppliers submit the cost component of their responses through SRM.

- Suppliers access SRM through the PA Supplier Portal
- Electronic submissions do not need an ink signature
- Technical and small diverse business (SDB) components are submitted on paper
- If cost elements are not defined in the Solicitation, the entire response may be submitted on paper
  - The submission format is determined at the time the Solicitation is created

Submitting the paper component of a response follows current processes.



# Lesson 2: Solicitations and Responses

Suppliers can monitor the status of their response through the PA Supplier Portal.

The statuses are:

Status	Meaning
<b>Submitted</b>	The supplier's response to the Solicitation has been submitted to the Commonwealth via the PA Supplier Portal. Resubmissions are possible until the close date if permitted by the Solicitation.
<b>Accepted</b>	The response has been accepted for PO or contract creation.
<b>Rejected</b>	The response has been rejected as defined by established bid rejection criteria.



# Lesson 2: Solicitations and Responses

Suppliers can edit their response until the end date has been reached.

- Neither responses nor edits to responses are accepted past the end date



## Lesson 2: Solicitations and Responses

SRM may be used during the Bid Opening to evaluate costs.

- Electronic cost submissions are opened and analyzed using SRM

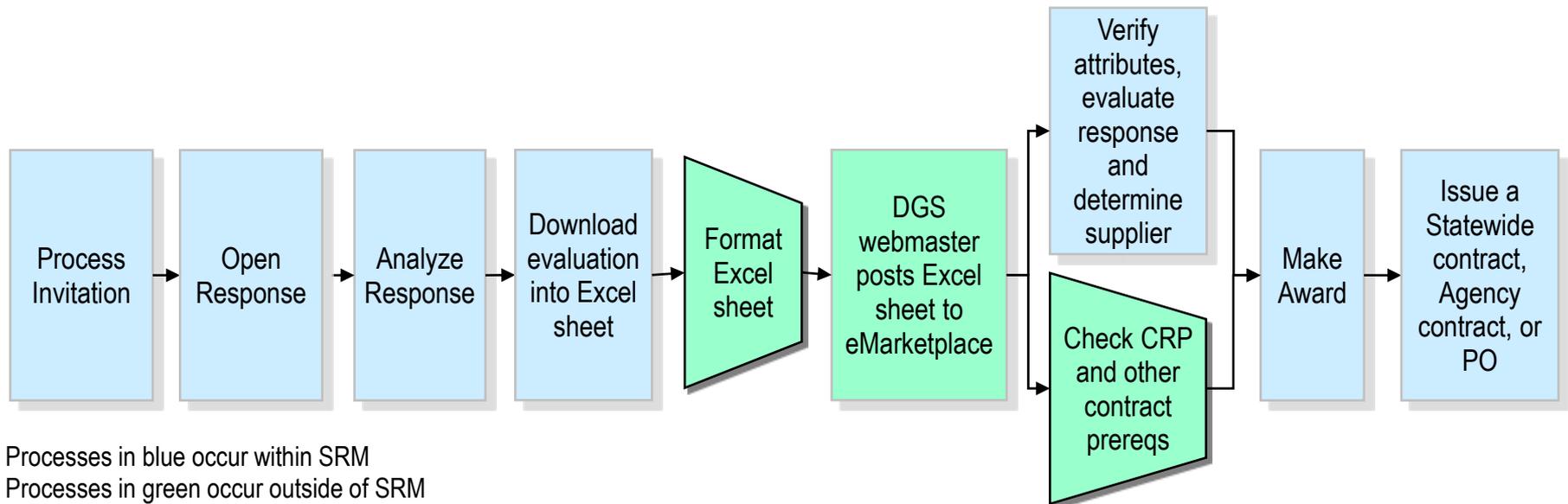
The next two slides illustrate the opening processes.



# Lesson 2: Solicitations and Responses

## Process for public openings

These responses contain only cost information.



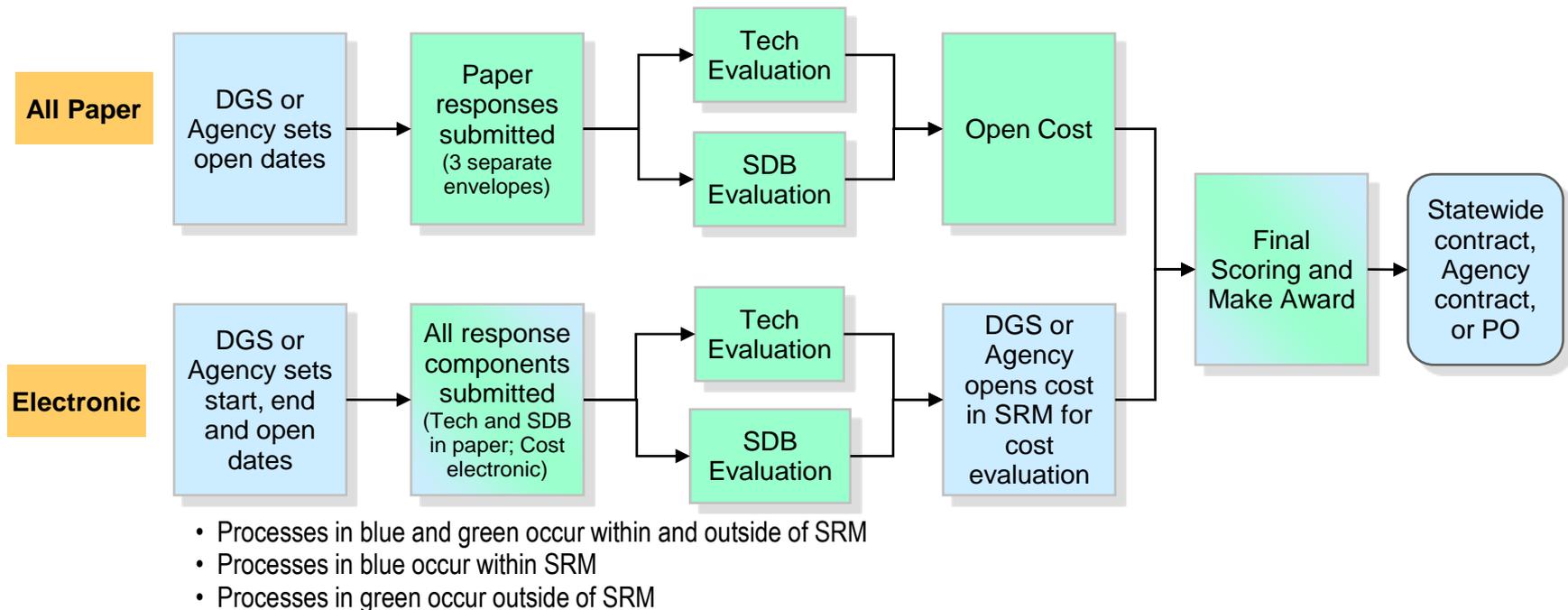
Responses to IFBs contain only cost information; therefore, may be submitted electronically and opened using this process.



# Lesson 2: Solicitations and Responses

## Non-public Openings

These responses are submitted using the “All Paper” method when cost elements are not defined.



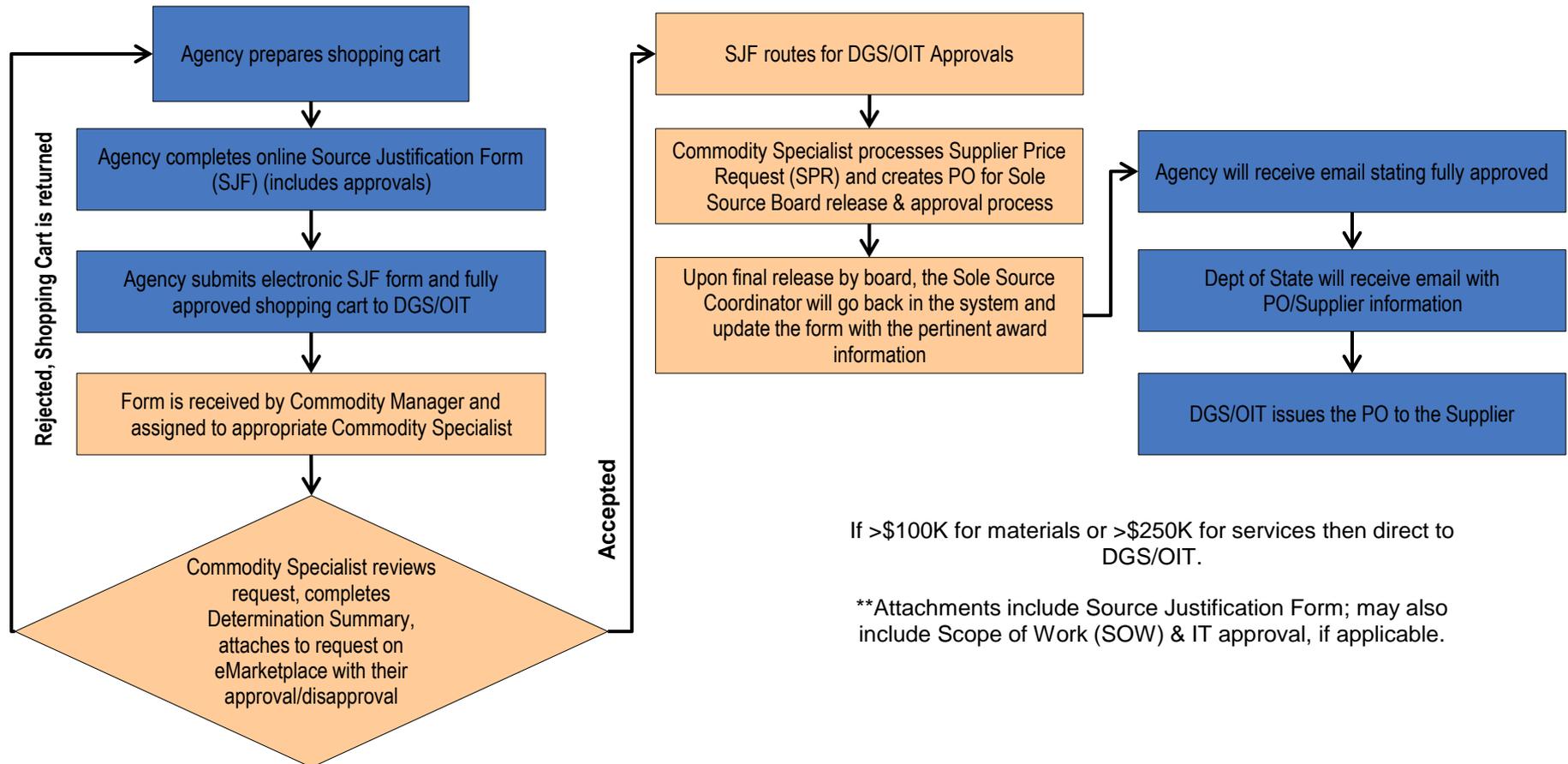
Responses to RFPs, RFQs, and RFQ-IT ITQs may contain an electronic cost component while the technical component and small diverse business (SDB) components are submitted on paper; therefore may be opened with this process.



# Lesson 2: Solicitations and Responses

## Process for Supplier Pricing Request (SPR)

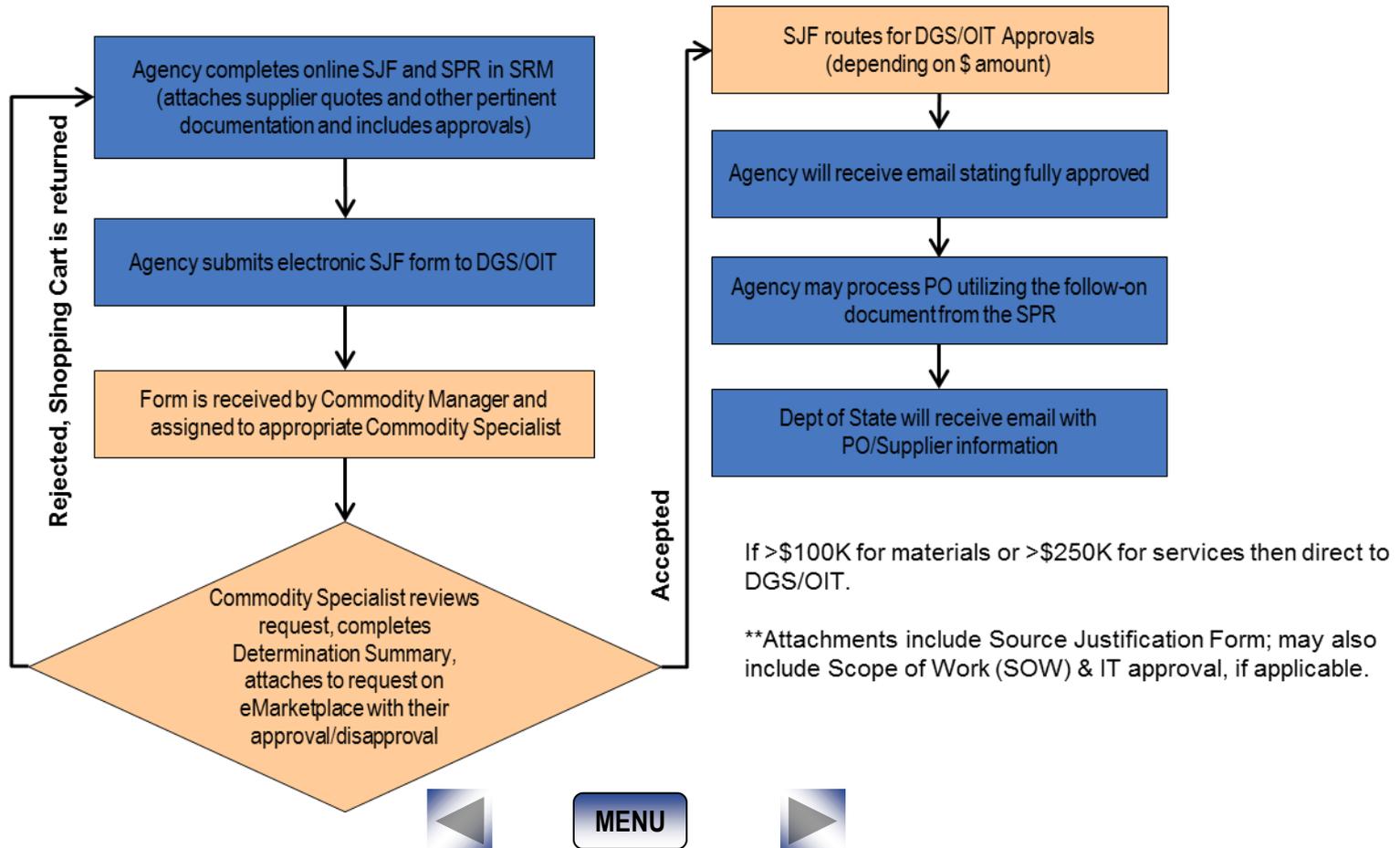
### Sole Source Materials Process Map



# Lesson 2: Solicitations and Responses

Process for Supplier Pricing Request (SPR)

## Sole Source Services Process Map



# Lesson 2: Solicitations and Responses

You've completed Lesson 2 and now have the information to:

- Describe Carry Out Sourcing
- Define the Solicitation and response processes

You can review the information by selecting one of the buttons or you can test your knowledge by selecting the NEXT button.

Summary of Changes

RFQ/RFQ IT ITQ Process

Solicitation Creation Process

IFB/RFP Process

Contract Type/Follow-on Doc

SPR Process



MENU



# Lesson 2: Knowledge Check

Select the statements that describe Carry Out Sourcing.

- Contains requirements that result in an Auto-PO and/or a P-Card
- Is accessed through Myworkplace
- For Agency procurement professionals, contains requirements for services over \$250,000 and materials over \$100,000
- Requests in Carry Out Sourcing are addressed with one of the following: Solicitation, or a PO



# Lesson 2: Knowledge Check

The following statements refer to the Solicitation and response processes. Mark the correct statements.

- RFQs and RFQ IT ITQs are the only Solicitations issued when a contract exists
- The Supplier Pricing Request does not trigger new or additional workflow from DGS
- All procurement suppliers must register through the PA Supplier Portal prior to responding to a Solicitation
- The supplier can decide if the response is electronic, paper or both
- Under an SPR, DGS creates the SPR and POs for materials, while the agency creates the SPR and PO for services



# Lesson 3: Contracts and POs

Thanks for answering the Knowledge Check questions.

Now that you have an understanding of the Solicitation and response process, it is time to talk about the Contract and PO processes.



# Lesson 3: Contracts and POs

## Lesson 3

# Contracts and POs



MENU



# Lesson 3: Contracts and POs

- After successfully completing Lesson 3 you will be able to:
  - Define the contract process
  - Define the PO process



# Lesson 3: Contracts and POs

1. Contracts are created in SRM
2. SRM automatically routes contracts to the approvers



# Lesson 3: Contracts and POs

Contracts are created in SRM.

There are several easy ways to generate contracts in SRM:

1. Copy an existing contract
2. Upload external file
3. Pull items from the catalog
4. Convert a result of a response or auction into a contract



# Lesson 3: Contracts and POs

There are two types of Agency Contracts:

1. Agency Contract
2. Sole Source Services

Select the contract type to review the details.  
Select the NEXT button for a summary.



# Lesson 3: Contracts and POs

## 1. Agency Contract

- Created in SRM for use by single or multiple plants
- POs are created in **SRM** (R/3 POs cannot be created)

# Lesson 3: Contracts and POs

## 2. Agency Sole Source Services

- SPR Created in SRM
- Requires a Source Justification Form approved by DGS/OIT (depending on dollar amount)

Back

# Lesson 3: Contracts and POs

## Summary of Agency Contracts

OVERVIEW	DOCUMENT TYPES <sup>1</sup>	WHEN TO USE	CREATION / USAGE		EXAMPLE
			CONTRACT	PO	
<ul style="list-style-type: none"> <li>• Requests start in SRM</li> <li>• SRM-generated POs</li> </ul>	Agency Contract	To create contracts with line item details for a single or multiple plants.	SRM	SRM	Snow Removal
	Agency Sole Source Services	To create contracts which meet the requires of a Sole Source Procurement in accordance to the Procurement Handbook*.	SRM	SRM	Professional Expert

\* <http://www.dgs.pa.gov/Documents/Procurement%20Forms/Handbook/Pt3/Pt%20III%20Ch%2005%20Sole%20Source%20Procurement%20of%20Services.pdf>



## Lesson 3: Contracts and POs

That concludes our discussion on  
Agency Contracts.  
Select the NEXT button to learn about  
DGS Contracts.



MENU



# Lesson 3: Contracts and POs

There are seven DGS contract types:

1. [Statewide Header](#)
2. [Statewide Line Item](#)
3. [Multiple Award Hierarchy](#)
4. [Distributor/Reseller Hierarchy](#)
5. [Statewide ITQ](#)
6. [Sole Source Material](#)
7. [Sole Source Service](#)

Select the contract type to review the details.  
Select the NEXT button for a summary.



# Lesson 3: Contracts and POs

## 1. Statewide Header

- Created and accessed in **SRM**
- Used when creating a contract with header information
- Price data is obtained via a punch-out catalog or the Material Service Contract Catalog (MSCC)
- POs are created in **SRM** (R/3 POs cannot be issued)
- Used for services and materials

Back

# Lesson 3: Contracts and POs

## 2. Statewide Line Item

- Created and accessed in **SRM**
- Used when creating a contract with line item details
- POs are created in **SRM** (R/3 POs cannot be issued)
- Used for services and materials

Back

# Lesson 3: Contracts and POs

## 3. Multiple Award Hierarchy

- Created and accessed in **SRM**
- This hierarchical contract groups multiple suppliers with individual contracts under a Parent Contract to aggregate orders associated with all the contracts
- Creates a parent/child relationship where each supplier holds a “Child Contract”
- POs are created in **SRM** (R/3 POs cannot be issued)
- Used for services and materials

Back

# Lesson 3: Contracts and POs

## 4. Distributor/Reseller Hierarchy

- Created and accessed in **SRM**
- This hierarchical contract groups a single supplier (parent) with multiple distributors/resellers (child) to aggregate orders associated with all the contracts
- The PO is assigned to the Child Contracts NOT the parent contract
- POs are created in **SRM** (R/3 POs cannot be issued)
- Used for services and materials

# Lesson 3: Contracts and POs

## 5. Statewide ITQ

- Created and accessed in **SRM**
- Used when the procurement professional must obtain quotes via an RFQ process
- POs are created in **SRM** (R/3 POs cannot be issued)
- Used for services and materials

Back

# Lesson 3: Contracts and POs

## 6. Sole Source Material

- Created and accessed in **SRM**
- Requires a Source Justification Form approved by DGS/OIT
- Completion of Determination Summary
- SPR created in SRM
- Must be approved by the Board of Commissioners of Public Grounds and Buildings (Sole Source Board)

Back

# Lesson 3: Contracts and POs

## 7. Sole Source Service

- Created and accessed in **SRM**
- Requires a Source Justification Form approved by DGS/OIT
- Completion of Determination Summary
- SPR created in SRM

Back

# Lesson 3: Contracts and POs

## Summary of DGS Contracts

OVERVIEW	TYPES	WHEN TO USE	CREATION/USAGE		EXAMPLE
			CONTRACT	PO	
• Requests start in SRM	Statewide Header	To create a contract with header information only and to obtain item and price data from suppliers via punch out or catalog; not for inventory.	SRM	SRM	Office Supplies
	Statewide Line Item	To create a contract with line item details.	SRM	SRM	Janitorial Supplies
	Multiple-Award Hierarchy	To group multiple suppliers with individual contracts under a parent contract in order to aggregate orders associated with all contracts.	SRM	SRM	Furniture
	Distributor/ Reseller Hierarchy	To group a single supplier with multiple resellers where the PO is assigned to a reseller/distributor NOT the parent supplier in order to aggregate the orders associated with all contracts.	SRM	SRM	Tires
	Statewide ITQ	To create contracts which require end users to obtain quotes via the RFQ process.	SRM	SRM	Consulting Services
	Sole Source Material	To create contracts which meet the requirements of a Sole Source Material Procurement in accordance to the Procurement Handbook*.	SRM	SRM	Security Holograms
	Sole Source Service	To create contracts which meet the requirements of a Sole Source Service Procurement in accordance to the Procurement Handbook*.	SRM	SRM	Maintenance for Banking Equipment

\* Materials: <http://www.dgs.pa.gov/Documents/Procurement%20Forms/Handbook/Pt2/Pt%20II%20Ch%2005%20Sole%20Source%20Procurement%20of%20Materials.pdf>

\* Services: <http://www.dgs.pa.gov/Documents/Procurement%20Forms/Handbook/Pt3/Pt%20III%20Ch%2005%20Sole%20Source%20Procurement%20of%20Services.pdf>



# Lesson 3: Contracts and POs

After a contract is created, it needs to be approved.

SRM automatically routes contracts to the appropriate approvers.

- The level of the approval is dependent on established dollar thresholds
- Contracts with non-standard terms and conditions require additional approval as follows:
  - Executive Agencies - Office of General Counsel and the Attorney General
  - Independent Agencies – Attorney General

Approval thresholds for agency and DGS Contracts are outlined in the following tables.



# Lesson 3: Contracts and POs

## Agency contract approval thresholds

Agency Contract Types	Thresholds	Approval Strategy
<b>Materials:</b> Agency Contract	\$10K-\$20K \$20K-∞	Agency Legal Agency Head, Agency Legal  <b>* Comptroller no longer in process except for non-standard terms &amp; conditions</b>
<b>Services:</b> Agency Contract Sole Source Service	\$10K-\$25K \$25K-∞	Agency Head, Agency Legal Agency Head, Agency Legal, Attorney General  <b>* Comptroller no longer in process except for non-standard terms &amp; conditions</b>

Non-standard terms and conditions require approval from the Office of General Counsel and the Attorney General.



# Lesson 3: Contracts and POs

## DGS contract approval thresholds

DGS Contract Types	Thresholds	Approval Strategy
<b>Materials:</b> Statewide ITQ Statewide Dealer/Reseller Statewide Multi-award Statewide Regular Contract Statewide Header	\$10K-\$50K \$50K-\$100K \$100K-\$1M \$1M-∞	DGS Legal ACM,DGS Legal ACM,CM,DGS Legal ACM, CM, CPO, Treasury, DGS Legal
Sole Source Material	\$10 - ∞	DGS Dep. Sec. for Procurement, DGS Legal, Sole Source Board, CPO
<b>Services:</b> Statewide ITQ Statewide Dealer/Reseller Statewide Multi-award Statewide Regular Contract Statewide Header Sole Source Service	\$10K-\$50K \$50K-\$100K \$100K-\$1M \$1M-∞*	DGS Legal ACM,DGS Legal ACM,CM,DGS Legal ACM, CM, CPO, DGS Legal  <b>*Comptroller no longer in process except for non-standard terms &amp; conditions</b>

ACM – Associate Commodity Manager

CM – Commodity Manager

CPO – Chief Procurement Officer

Non-standard terms and conditions require approval from the Office of General Counsel and the Attorney General.



# Lesson 3: Contracts and POs

That was a lot of information, here's a summary of the contract process:

- Contracts are created in SRM
- All other contract POs are created in SRM

Now that you understand the contract process, we will now take a look at the PO process.



# Lesson 3: Contracts and POs

1. Most POs are created in SRM
2. SRM automatically routes POs to the approver



# Lesson 3: Contracts and POs

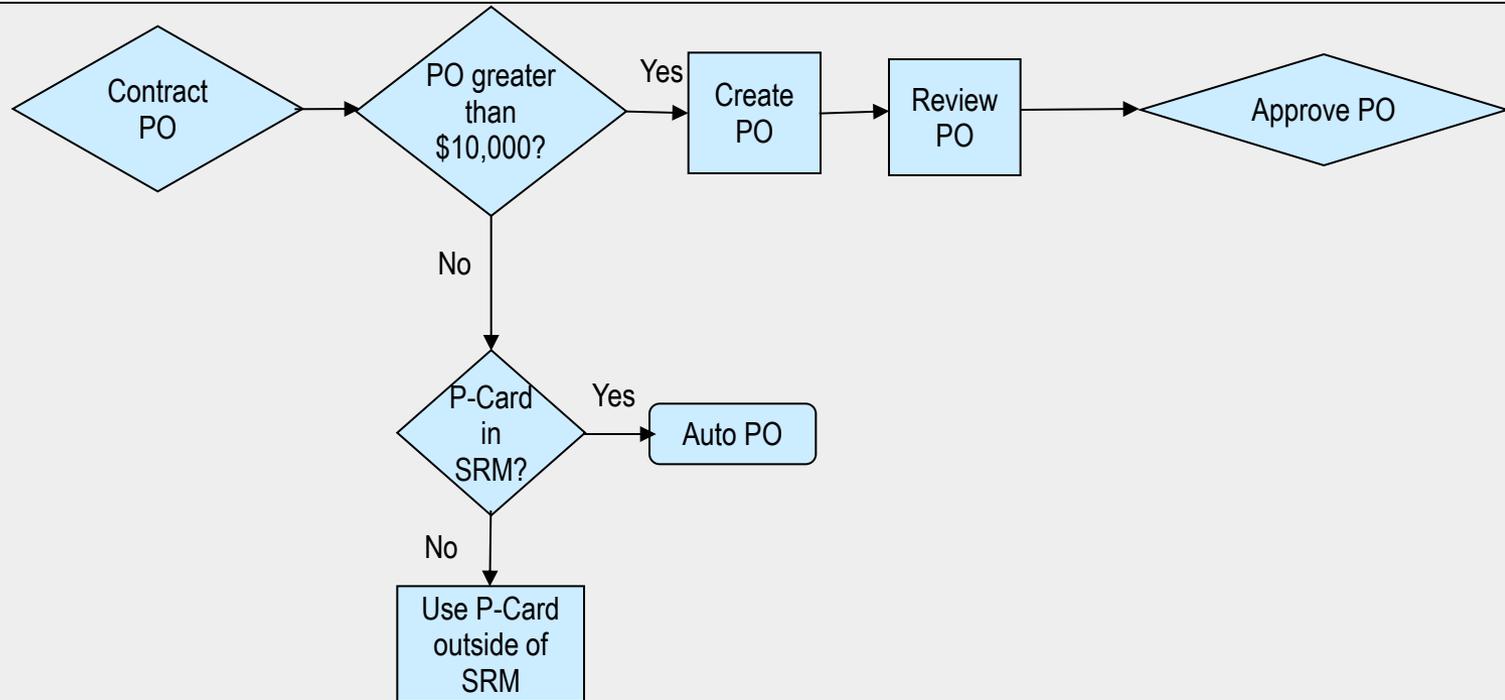
As indicated in our discussion on contracts, POs can be created in R/3 or SRM.

- R/3 is used to create POs for Market Price Contracts
- SRM is used to create POs for all other contracts



# Lesson 3: Contracts and POs

After being created, POs over \$10,000 must be approved.  
SRM automatically routes POs to the appropriate approver.



Select the NEXT button to review the approval guidelines.



MENU



# Lesson 3: Contracts and POs

After a PO is created, it needs to be approved.

SRM automatically routes POs to the appropriate approvers.

- The level of the approval is dependent on established dollar thresholds
- POs with non-standard terms and conditions require additional approval as follows:
  - Executive Agencies - Office of General Counsel and the Attorney General
  - Independent Agencies – Attorney General

Approval thresholds for agency and DGS POs are outlined in the following tables.



# Lesson 3: Contracts and POs

## Agency - PO

Agency Purchase Order Types	Thresholds	Approval Strategy
Emergency Material	\$10K- ∞	CPO and CM concurrently Exception: Independent Agencies – Agency Head Only For changes: No workflow required
Emergency Services	\$10K- ∞	CPO and CM concurrently Exception: Independent Agencies – Agency Head Only For changes: No workflow required
Emergency PO OA OIT Services: Materials:	\$10K - ∞ \$10K - ∞	OIT_DIR_Services OIT_DIR_Goods For changes: No workflow required
Auto-generated PO (Contracts only)	\$0-\$10K	No release required.
Standard Material –Contract Reference	\$20K-∞	Comptroller  <b>* Threshold increased from 10K to 20K</b>
Standard Material – No Contract Reference	\$10K- ∞	Agency Head, Comptroller, Agency Legal  <b>* Comptroller threshold increased from 5K to 10K</b>
Standard Services – Contract Reference	\$20K-∞	Comptroller  <b>* Comptroller threshold increased from 10K to 20K</b>
Standard Services – No Contract Reference	\$10K-\$25K \$25K- ∞	Agency Head, Comptroller, Agency Legal Agency Head, Comptroller, Agency Legal, Attorney General  <b>*Comptroller threshold increased from 5K to 10K</b>
Sole Source Service	\$10K- \$25K \$25K - ∞	Agency Head, Comptroller, Agency Legal Agency Head, Comptroller, Agency Legal, Attorney General



# Lesson 3: Contracts and POs

DGS - PO

DGS Purchase Order Types	Thresholds	Approval Strategy
DGS issued Material	\$10K-\$50K \$50K-\$100K \$100K-\$1M \$1M-∞	Comptroller, DGS Legal ACM, Comptroller, DGS Legal ACM, CM, Comptroller, DGS Legal ACM, CM, CPO, Comptroller, Treasury, DGS Legal
DGS issued Service	\$10K-\$25K \$25K-\$50K \$50K-\$100K \$100K-\$1M \$1M-∞	Comptroller, DGS Legal Comptroller, DGS Legal, Attorney General ACM, Comptroller, DGS Legal, Attorney General ACM, CM, Comptroller, DGS Legal, Attorney General ACM, CM, CPO, Comptroller, DGS Legal, Attorney General
Sole Source Service	\$10K- \$25K \$25K - ∞	Agency Head, Comptroller, Agency Legal Agency Head, Comptroller, Agency Legal, Attorney General
Sole Source Supply	\$10K- ∞	DGS Secretary, Comptroller, DGS Legal, Treasury, Sole Source Board



MENU



# Lesson 3: Contracts and POs

Select the NEXT button for a summary of the PO process.



MENU



# Lesson 3: Contracts and POs

## Summary of PO changes

Category	SRM 5.0	SRM 7.0
Account Assignment	<ul style="list-style-type: none"> <li>No ability to use Cost Distribution – Value</li> </ul>	<ul style="list-style-type: none"> <li>Ability to use Cost Distribution – Value</li> </ul>
Workflow	<ul style="list-style-type: none"> <li>Workflow viewed in Approval Agent Report</li> </ul>	<ul style="list-style-type: none"> <li>Approval workflow viewed in the Approval tab in PO</li> </ul>
Invoicing Plan	<ul style="list-style-type: none"> <li>Invoicing Plan POs formerly created in SAP R/3</li> </ul>	<ul style="list-style-type: none"> <li>Invoicing Plan created in the Payment tab in PO</li> </ul>
Validity Period	<ul style="list-style-type: none"> <li>No validity start and end dates</li> </ul>	<ul style="list-style-type: none"> <li>Validity start and end dates in Header Tab – General Data sub-tab</li> </ul>
Inventory POs	<ul style="list-style-type: none"> <li>No ability to create Inventory POs</li> </ul>	<ul style="list-style-type: none"> <li>Inventory POs may be created</li> </ul>
Workflow History	<ul style="list-style-type: none"> <li>Workflow history is not retained</li> </ul>	<ul style="list-style-type: none"> <li>Workflow history is retained</li> </ul>
Cancel PO	<ul style="list-style-type: none"> <li>POs are deleted if unneeded</li> </ul>	<ul style="list-style-type: none"> <li>Ability to Cancel POs</li> </ul>



# Lesson 3: Contracts and POs

We covered the PO process.

Take a moment now to answer a few questions.



# Lesson 3: Knowledge Check

1. The following statements refer to the contract and PO processes. Select the correct statements.
  - a. Contracts and POs encumber funds
  - b. Hierarchical Contracts involve multiple suppliers or multiple resellers/distributors
  - c. POs with non-standard terms and conditions follow the current R/3 workflow



# Lesson 3: Knowledge Check

2. Select the statements which are true:
  - a. All POs are created in SRM
  - b. DGS Legal approves all Agency POs
  - c. POs with non-standard terms and conditions must be approved by the Attorney General
  - d. There are new PO types in SRM



# Summary

Congratulations! You completed  
the SRM Sourcing  
Fundamentals course!

That was a lot of material. Please feel free to  
review the course again at any time.

Thank you for all your efforts in preparing to  
use SRM.



MENU



Select the link below to complete an online Survey Monkey survey.

<https://www.surveymonkey.com/s/3K8NYTL>



You will receive credit for completing this course within 24 hours. Please select the “Log Off” button in the lower right corner to close this course.

As a reminder, you will not receive an email notification for WBT completions.



# Lesson 1: Introduction to SRM Sourcing

## SRM 5.0 vs. SRM 7.0 Comparison

DOC TYPE	SRM 5.0	SRM 7.0
<u>Solicitations</u>	<ul style="list-style-type: none"> <li>• XI server is used in conjunction with Document Builder</li> <li>• More than 25 mandatory “Attributes” exist, and must be added manually to the Solicitation document</li> <li>• No print Preview available for an incomplete bid (vendor)</li> </ul>	<ul style="list-style-type: none"> <li>• Document Builder is available without XI</li> <li>• Attributes are now known as Questions, and have been reduced to approximately 5, and are defaulted into the Solicitation document</li> <li>• Print Preview available for incomplete bids (vendors)</li> </ul>
Contracts	<ul style="list-style-type: none"> <li>• GOA’s reside in SAP R/3</li> <li>• Inventory Contracts reside in SAP R/3</li> <li>• Invoicing Plan Contracts reside in SAP R/3</li> <li>• No Sole Source document types</li> <li>• Contracts are updated or appended from an existing contract</li> </ul>	<ul style="list-style-type: none"> <li>• GOA’s no longer exist</li> <li>• Inventory Contracts reside in SRM</li> <li>• Invoicing Plan Contracts reside in SRM</li> <li>• Three Sole Source documents types exist</li> <li>• Contracts can be updated or appended from the awarded bid</li> </ul>
POs	<ul style="list-style-type: none"> <li>• Cost Distribution “Value” not valid</li> <li>• Use Approval Agent Report to view workflow</li> <li>• Invoicing Plan formerly done in SAP R/3</li> <li>• Validity Period didn’t exist</li> </ul>	<ul style="list-style-type: none"> <li>• Cost Distribution “Value” is now valid</li> <li>• View Workflow from the Approval tab</li> <li>• Process Invoicing Plan from the Payment tab in PO</li> <li>• Validity Period exists in the Header Tab – General Data sub-tab</li> </ul>

Back

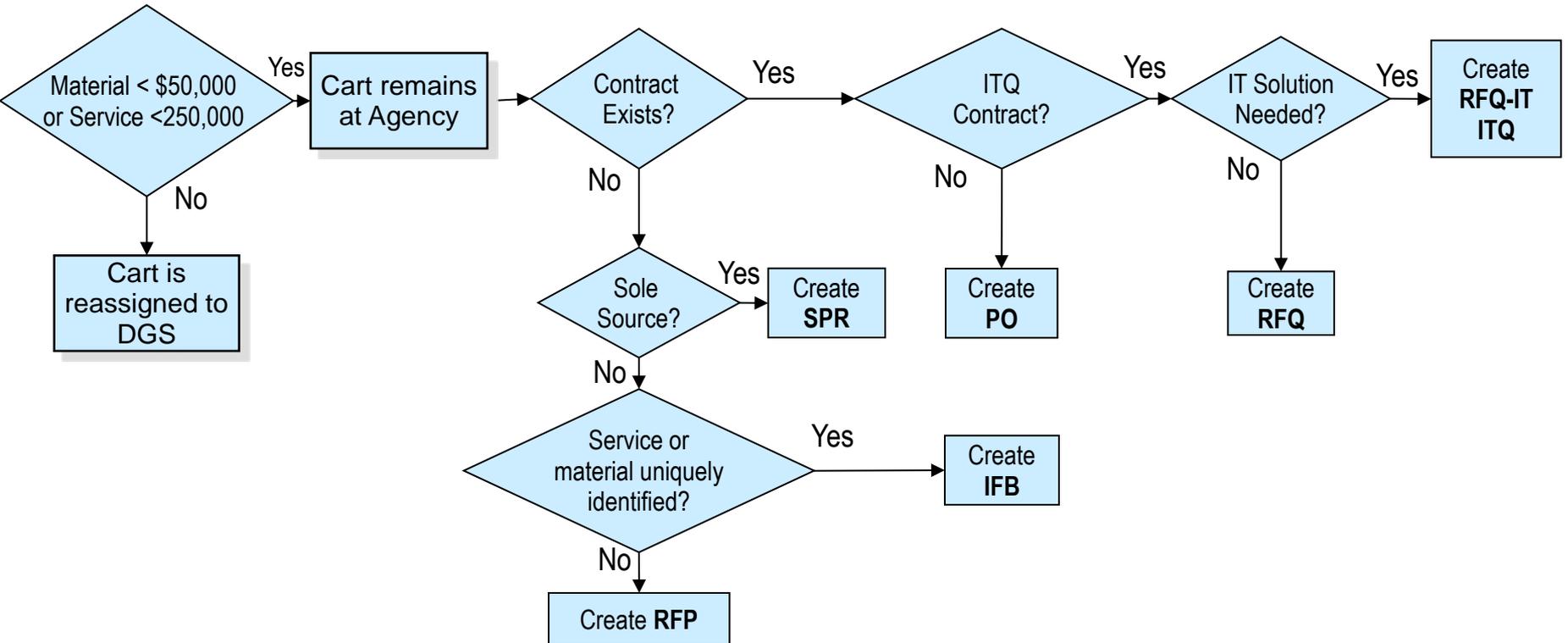
# Lesson 2: Solicitations and Responses

## Summary of Changes

Category	SRM 5.0	SRM 7.0
Document Builder	XI server is used in conjunction with Document Builder.	Document Builder is available without XI.
Tips, Warnings, and Error Messages	Located at the bottom of the screen.	Located at the top of the screen; the quantity of tips and warning messages has been reduced.
Attributes	More than 25 mandatory “Attributes” exist, and must be added manually to the Solicitation document.	Attributes are now known as “Questions,” and have been reduced to approximately 5, and are defaulted into the Solicitation document.
Print Preview	No Print Preview available for an incomplete bid (vendors).	Print Preview available for incomplete bid (vendors).

Back

# Lesson 2: Solicitations and Responses

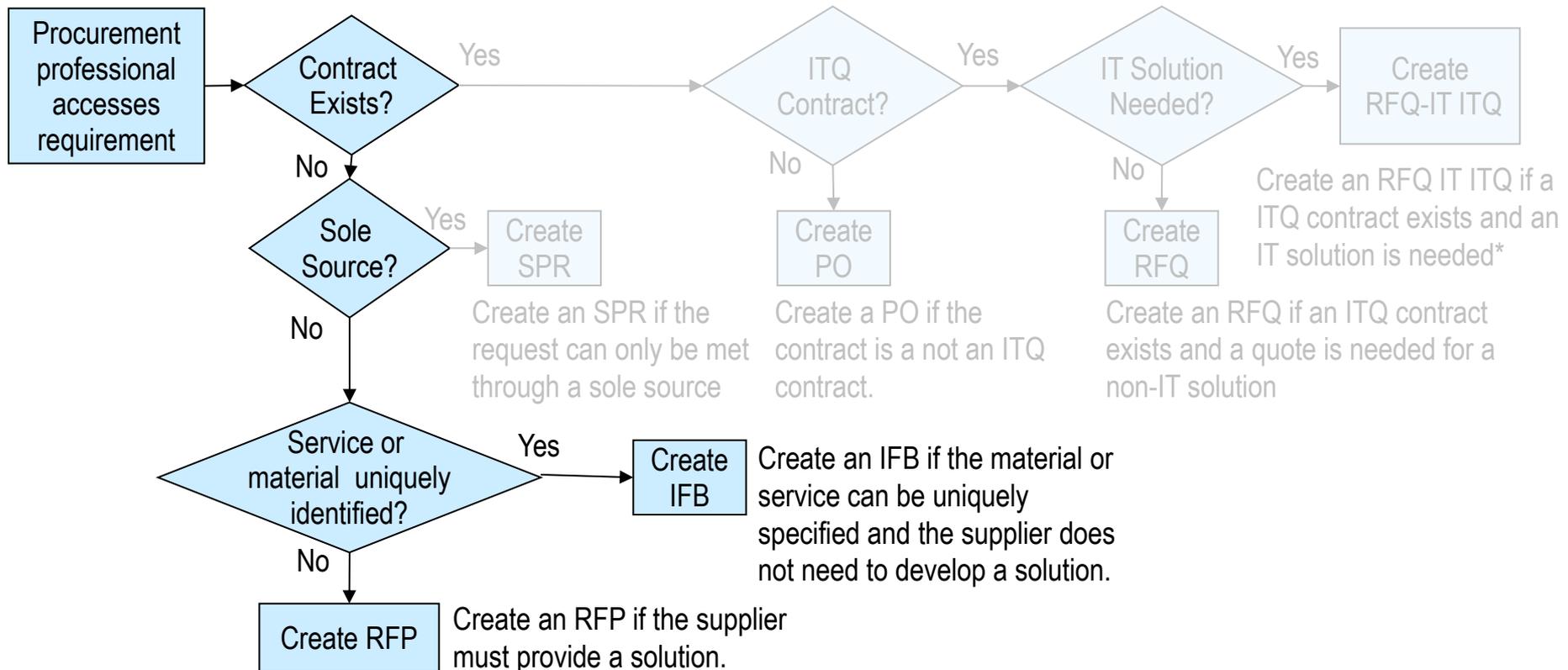


\*Create an RFP for IT requests over \$5M

**Back**

# Lesson 2: Solicitations and Responses

## Workflow process for IFBs, and RFPs

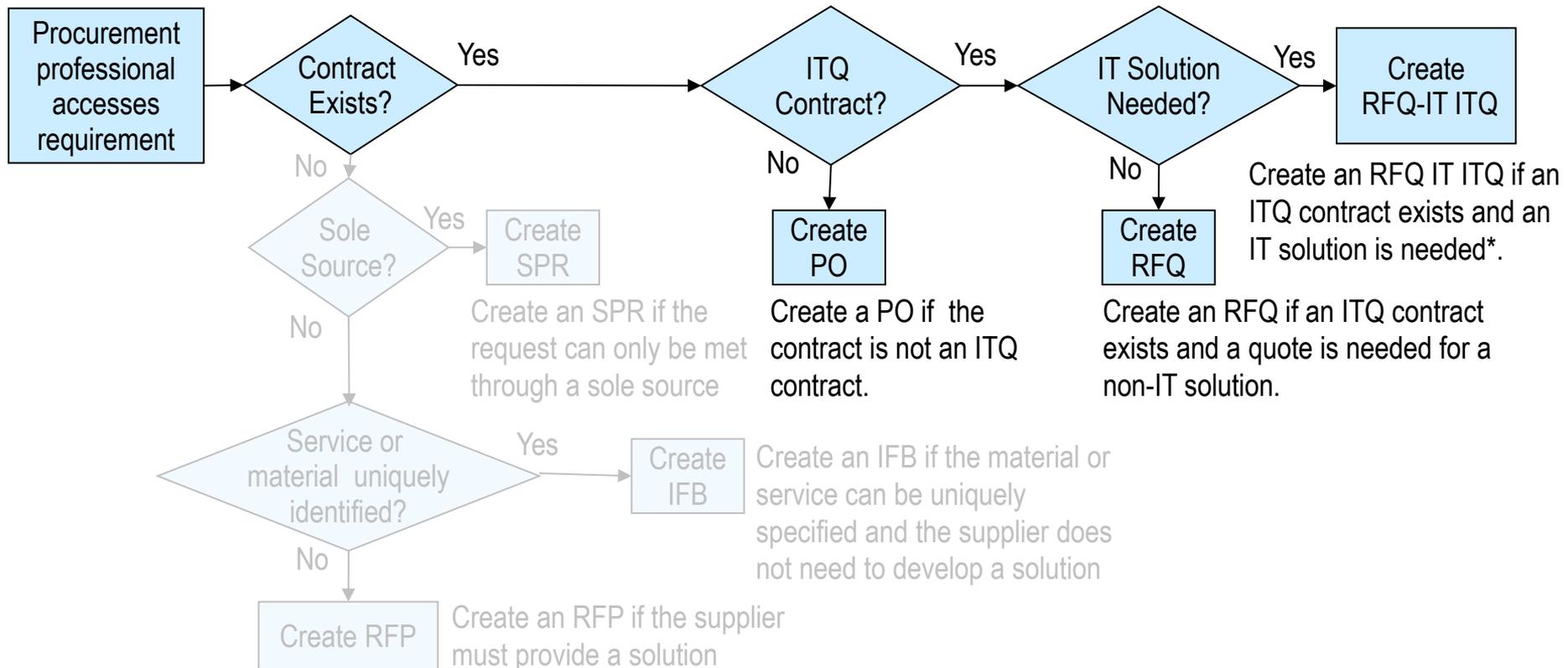


**Back**

\*Create an RFP for IT requests over \$5M

# Lesson 2: Solicitations and Responses

## Workflow process for RFQs, and RFQ IT ITQs

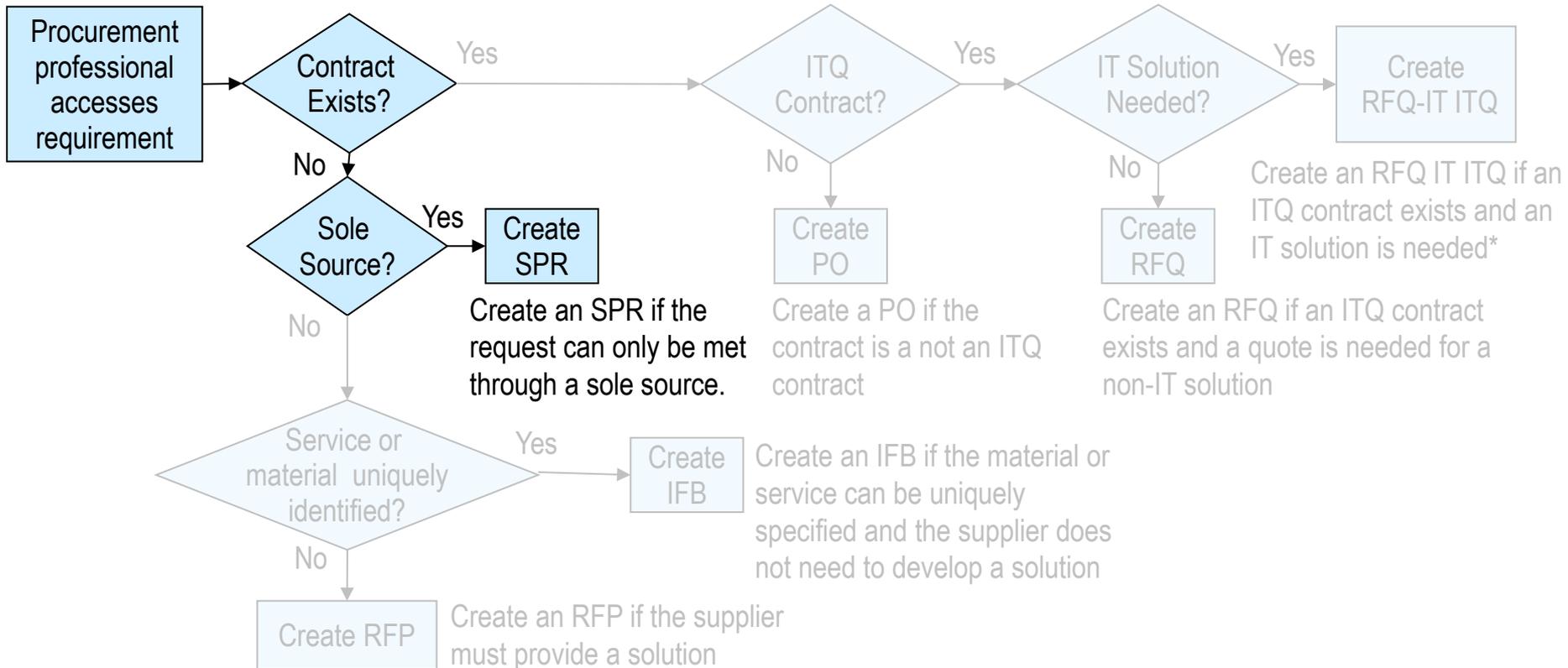


**Back**

\*Create an RFP for IT requests over \$5M

# Lesson 2: Solicitations and Responses

## Workflow process for SPRs



**Back**

\*Create an RFP for IT requests over \$5M

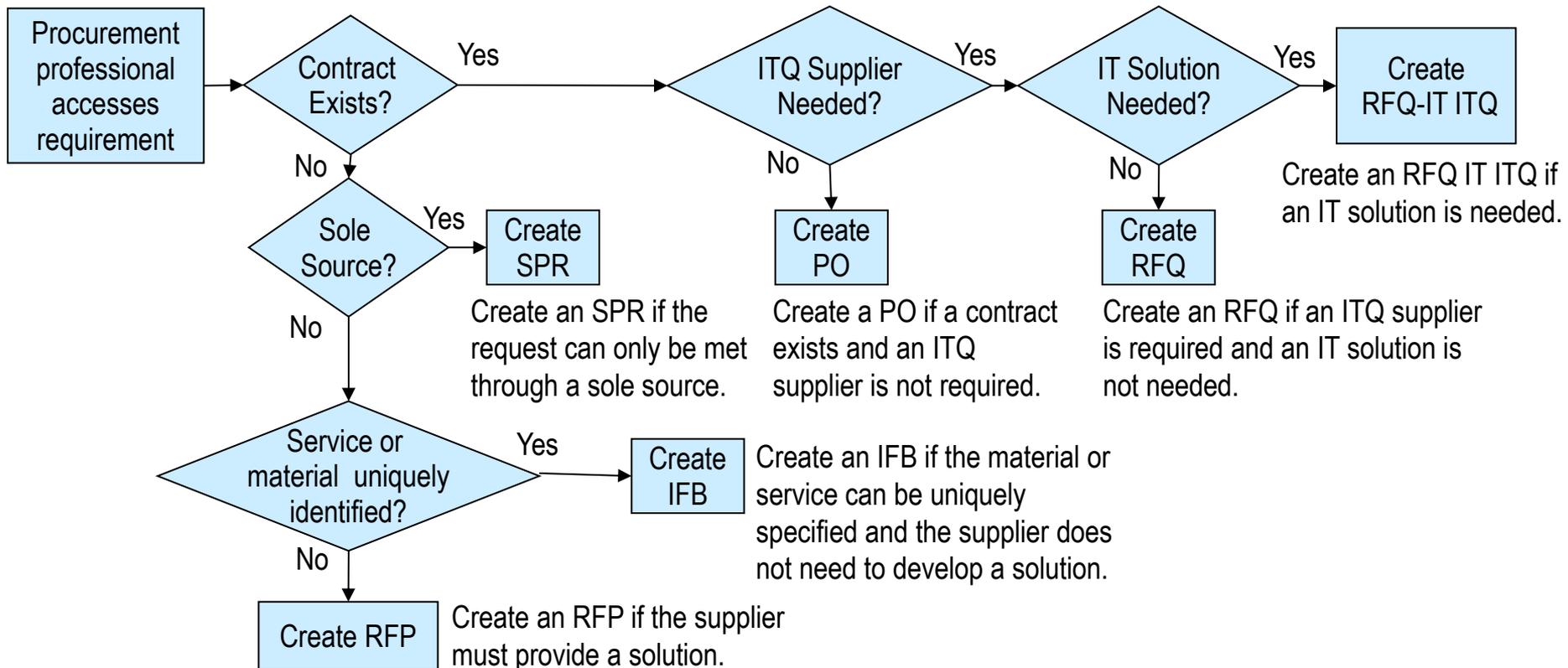
# Lesson 2: Solicitations and Responses

<b>Solicitation Type</b>	<b>Follow-on Documents</b>
RFQ	PO
RFQ IT ITQ	PO
IFB	PO or Contract
RFP	PO or Contract
SPR	PO or IFB or RFP if rejected by DGS

Back

# Lesson 2: Solicitations and Responses

## Solicitation creation process



**Back**

# Course Menu

## Course Menu

[Lesson 1: Introduction to SRM Sourcing](#)

[Lesson 2: Solicitations and Responses](#)

[Lesson 3: Contracts and POs](#)

[Course Survey](#)

[Glossary of Terms](#)

[End Course](#)

Select a button to go directly to the topic or to end the course.

# Lesson 1: Introduction to SRM Sourcing

## Improvements with SRM 7.0

Solicitations	Contracts	Purchase Orders
Enhanced User Interface and POWL	Enhanced User Interface and POWL	Enhanced User Interface and POWL
Tabular display of Approval Preview	Tabular display of Approval Preview	Tabular display of Approval Preview
Reduced number of Questions (previously known as Attributes)	Additional Contract information in Source of Supply.	Ability to retain workflow history
Change location of error messages	Version Management	Validity Period on Header
Ability to Withdraw Bids	Inventory Contracts will exist in SRM.	Ability to Split PO by Value
Vendors ability to show their intent to participate.	Invoicing Plan Contracts will exist in SRM.	Ability to Cancel POs
Document Builder available without XI	Agency based pricing condition can now be defined.	Invoicing Plan order will be done in SRM.
Reduction of tips and warning messages.	Header and Item level alerts can now be set on individual contracts.	Inventory/MRP orders will be done in SRM.

Back

# Glossary

- [Bid rejection criteria](#)
- [Carry Out Sourcing](#)
- [Document Builder](#)
- [Hierarchical Contract](#)
- [Invitation for Bid \(IFB\)](#)
- [Material Requirements Planning \(MRP\)](#)
- [PA Supplier Portal](#)
- [Parent Contract](#)
- [Procurement Professional](#)
- [Request for Proposal \(RFP\)](#)
- [Request for Quote \(RFQ\)](#)
- [Request for Quote IT ITQ \(RFQ IT ITQ\)](#)
- [Requirement](#)
- [Response](#)
- [Solicitation](#)
- [Supplier Collaboration](#)
- [Supplier Pricing Request \(SPR\)](#)
- [Supplier Registration](#)
- [Workflow](#)



# Glossary – Bid rejection criteria

## Bid rejection criteria

- Missing signatures
- Specifications not met
- Bid security, if required, not met
- Supplier “conditions” the bid (bid is submitted with conditions or exceptions or not in conformance to terms & conditions or specifications)
- Supplier did not bid all items in a group award situation
- Supplier does not respond to all parts of the bid (considered not responsive)
- Late submission
- Rejection based on guidelines stated in the Reciprocal Limitations Act

[Return](#)

# Glossary – Carry Out Sourcing

## Carry Out Sourcing

- The *Carry Out Sourcing* application provides the purchaser with a comprehensive range of options which enables them determine the most suitable source for a requirement. The *Sourcing* functions serve the following purposes:
  - Process requirements (for example, create POs, Bid Invitations or Contracts)
  - Provide information to support decision-making when determining sources of supply

Return

# Glossary – Document Builder

## Document Builder

Document Builder is a tool integrated into SRM that allows procurement professionals to create procurement documents containing standard terms and conditions. These documents include Solicitations, Contracts, and POs.

[Return](#)

# Glossary – Hierarchical Contract

## Hierarchical Contract:

A contract that creates a relationship between the parties involved. There are two types of Hierarchical Contracts:

- Multiple Award: groups multiple suppliers with individual contracts under a parent contract to aggregate orders associated with all the contracts
- Distributor/Reseller: groups a single supplier with multiple resellers to aggregate orders associated with all the contracts

[Return](#)

# Glossary – Invitation for Bid

Invitation for Bid (IFB):

One of five Solicitation types, defined as:

“All documents, including those either attached or incorporated by reference, used for soliciting bids.”

- Issued when no contract exists and the material or service can be uniquely specified
- Document Builder is used to create the IFB
- Responses are competitive and sealed
- Award is based on price
- Opening is public

[Return](#)

# Glossary – Material Requirements Planning (MRP)

Material Requirements Planning (MRP):

A process in which inventoried items are automatically ordered based on existing stock levels.

[Return](#)

# Glossary – PA Supplier Portal

PA Supplier Portal:

Pennsylvania Supplier Portal: a website which provides suppliers with access to procurement opportunities and procurement documents while allowing them to manage catalogs and update company data. It also supports communication between the Commonwealth and suppliers.

[Return](#)

# Glossary – Parent Contract

## Parent Contract

The “parent contract” and its corresponding number are created to group multiple suppliers when each of the suppliers holds a contract and the orders from the individual contracts can be aggregated. This is done when a Multiple Award Contract is issued.

[Return](#)

# Glossary – Procurement Professional

## Procurement Professional:

A term used to refer to Commonwealth employees involved in the procurement process.

[Return](#)

# Glossary – Request for Proposal

Request for Proposal (RFP):

One of the five Solicitation types. Defined as:

“All documents, including those either attached or incorporated by reference, utilized for soliciting proposals”

- Issued under two conditions:
  - No contract exists
  - The supplier must develop and propose the solution
- Document Builder is used to create the RFP
- Responses are competitive and sealed
- Award is based on criteria specified in the RFP; this normally includes a technical response, cost component, and small diverse business (SDB)
- Best and final offers may be sought and accepted
- Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier
- Opening is not public

[Return](#)

# Glossary – Request for Quote

Request for Quote (RFQ):

One of five Solicitation types.

- Issued to suppliers identified on an existing multiple award contract
- Requests a price quote for *non-information technology* solutions
- May also request additional information, such as service or delivery terms
- Because the contract already exists, Document Builder is not used
- Award is based on best value
- Opening is not public

[Return](#)

# Glossary – Request for Quote IT ITQ

Request for Quote – IT ITQ (RFQ IT ITQ):

One of five Solicitation types.

- Issued to suppliers on an existing contract
- Requests a price quote and solution information for IT procurements less than \$5 million
- Document Builder is used to created the RFQ IT ITQ
- Award is based on best value
- Opening is not public

[Return](#)

# Glossary – Requirement

## Requirement:

The term used to refer to a requisition which has been approved and routed to a procurement professional to process into a Solicitation or PO.

[Return](#)

# Glossary – Response

## Response:

A generic term used to refer to a supplier's offer to provide materials or services to the Commonwealth, including pricing and other criteria.

A response to a Solicitation may be in the form of a bid, proposal, quote, or other submission.

[Return](#)

# Glossary – Solicitation

## **Solicitation:**

A request for registered suppliers to submit an offer (bid, proposal, or quote) to provide materials or services to the Commonwealth. There are five Solicitation types:

### 1. Request for Proposal (RFP):

Issued under two conditions: 1. when no contract exists 2. the supplier must develop and propose the solution. Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier. Document Builder is used to create the RFP. Responses are competitive and sealed. Best and final offers may be sought and accepted; the award is based on criteria specified in the RFP. The opening is not public

### 2. Invitation for Bid (IFB):

Issued when no contract exists and the material or service can be uniquely specified. Document Builder is used to create the IFB. Responses are competitive and sealed. Award is based on price and the opening is public

### 3. Request for Quote – IT ITQ (RFQ IT ITQ):

Issued to suppliers on an existing contract. Requests a price quote for IT procurements less than \$5 million. Document Builder is used to create the RFQ IT ITQ. Award is based on best value and the opening is not public

### 4. Request for Quote (RFQ):

Issued to suppliers identified on an existing multiple award contract. Requests a price quote for non-information technology solutions. Because the contract already exists, Document Builder is not used. The award is based on best value and the opening is not public

### 5. Supplier Pricing Request (SPR):

Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source. Document Builder is used to create the SPR. The agency adds justification to the cart and transfers it to DGS. DGS creates the SPR and issues the PO for materials; the agency issues the PO for services. Opening is not public

[Return](#)

# Glossary – Supplier Collaboration

## Supplier Collaboration:

In context with SRM, supplier collaboration is the electronic exchange of information between the Commonwealth and suppliers during the procurement process. The collaboration provided by SRM allows electronic access to supplier catalogs by both the supplier and the Commonwealth. Suppliers are able to keep information up-to-date and the Commonwealth is able to access current information.

[Return](#)

# Glossary – Supplier Pricing Request (SPR)

## Supplier Pricing Request (SPR):

- Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source
- Document Builder is used to create the SPR
- The agency adds justification to the cart and transfers it to DGS (for materials only)
- DGS creates the SPR and issues the PO for materials; the agency issues the PO for services
- Opening is not public

[Return](#)

# Glossary – Supplier Registration

## Supplier Registration:

A series of steps suppliers must complete in order to gain access to the PA Supplier Portal. All procurement suppliers must register to be considered a source of supply or services and to respond to Solicitations electronically.

[Return](#)

# Glossary – Workflow

## Workflow:

A term used to refer to the movement of work from one responsible party to another. SRM's workflow automatically routes requirements to responsible parties based on established guidelines and approval thresholds.

[Return](#)

# Course Developer's notes

- Articulate cannot interpret action buttons coded with “last slide viewed” Therefore, the glossary terms must return the user to the originating slide. This requires a glossary entry for each occurrence of the referenced word. The following slides provide these entries
- The preceding glossary provided entries for the glossary accessed through the main menu

# Glossary – Bid rejection criteria

## Bid rejection criteria

- Missing signatures
- Specifications not met
- Bid security, if required, not met
- Supplier “conditions” the bid
- Supplier did not bid all items in a group award situation
- Supplier does not respond to all parts of the bid (considered not responsive)
- Late submission

Return

# Glossary – Carry Out Sourcing

## Carry Out Sourcing

- The *Carry Out Sourcing* application provides the purchaser with a comprehensive range of options which enables them determine the most suitable source for a requirement. The *Sourcing* functions serve the following purposes:
  - Process requirements (for example, create POs, Solicitations or Contracts)
  - Provide information to support decision-making when determining sources of supply

Return

# Glossary – Document Builder

## Document Builder

Document Builder is a tool integrated into SRM that allows procurement professionals to create procurement documents containing standard terms and conditions. These documents include Solicitations, Contracts, and POs.

[Return](#)

# Glossary – Hierarchical Contract

## Hierarchical Contract:

A contract that creates a relationship between the parties involved. There are two types of Hierarchical Contracts:

- Multiple Award: groups multiple suppliers with individual contracts under a parent contract to aggregate orders associated with all the contracts
- Distributor/Reseller: groups a single supplier with multiple resellers to aggregate orders associated with all the contracts

[Return](#)

# Glossary – Invitation for Bid

Invitation for Bid (IFB):

One of five Solicitation types. Defined as:

“All documents, including those either attached or incorporated by reference, used for soliciting bids.”

- Issued when no contract exists and the material or service can be uniquely specified
- Document Builder is used to create the IFB
- Responses are competitive and sealed
- Award is based on price
- Opening is public

[Return](#)

# Glossary – Invitation for Bid

Invitation for Bid (IFB):

One of five Solicitation types. Defined as:

“All documents, including those either attached or incorporated by reference, used for soliciting bids.”

- Issued when no contract exists and the material or service can be uniquely specified
- Document Builder is used to create the IFB
- Responses are competitive and sealed
- Award is based on price
- Opening is public

[Return](#)

# Glossary – Material Requirements Planning (MRP)

Material Requirements Planning (MRP):

A process in which inventoried items are automatically ordered based on existing stock levels.

Return

# Glossary – PA Supplier Portal

PA Supplier Portal:

Pennsylvania Supplier Portal: a website which provides suppliers with access to procurement opportunities and procurement documents while allowing them to manage catalogs and update company data. It also supports communication between the Commonwealth and suppliers.

[Return](#)

# Glossary – PA Supplier Portal

PA Supplier Portal:

Pennsylvania Supplier Portal: a website which provides suppliers with access to procurement opportunities and procurement documents while allowing them to manage catalogs and update company data. It also supports communication between the Commonwealth and suppliers.

[Return](#)

# Glossary – PA Supplier Portal

PA Supplier Portal:

Pennsylvania Supplier Portal: a website which provides suppliers with access to procurement opportunities and procurement documents while allowing them to manage catalogs and update company data. It also supports communication between the Commonwealth and suppliers.

[Return](#)

# Glossary – Parent Contract

## Parent Contract

The “parent contract” and its corresponding number are created to group multiple suppliers when each of the suppliers holds a contract and the orders from the individual contracts can be aggregated. This is done when a Multiple Award Contract is issued.

[Return](#)

# Glossary – Parent Contract

## Parent Contract

The “parent contract” and its corresponding number are created to group multiple suppliers when each of the suppliers holds a contract and the orders from the individual contracts can be aggregated. This is done when a Multiple Award Contract is issued.

[Return](#)

# Glossary – Procurement Professional

Procurement Professional:

A term used to refer to Commonwealth employees involved in the procurement process.

[Return](#)

# Glossary – Request for Proposal

Request for Proposal (RFP):

One of the five Solicitation types. Defined as:

“All documents, including those either attached or incorporated by reference, utilized for soliciting proposals”

- Issued under two conditions:
  - No contract exists
  - The supplier must develop and propose the solution
- Document Builder is used to create the RFP
- Responses are competitive and sealed
- Award is based on criteria specified in the RFP; this normally includes a technical response, cost component, and small diverse business (SDB)
- Best and final offers may be sought and accepted
- Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier
- Opening is not public

[Return](#)

# Glossary – Request for Proposal

Request for Proposal (RFP):

One of the five Solicitation types. Defined as:

“All documents, including those either attached or incorporated by reference, utilized for soliciting proposals”

- Issued under two conditions:
  - No contract exists
  - The supplier must develop and propose the solution
- Document Builder is used to create the RFP
- Responses are competitive and sealed
- Award is based on criteria specified in the RFP; this normally includes a technical response, cost component, and small diverse business (SDB)
- Best and final offers may be sought and accepted
- Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier
- Opening is not public

[Return](#)

# Glossary – Request for Proposal

Request for Proposal (RFP):

One of the five Solicitation types. Defined as:

“All documents, including those either attached or incorporated by reference, utilized for soliciting proposals”

- Issued under two conditions:
  - No contract exists
  - The supplier must develop and propose the solution
- Document Builder is used to create the RFP
- Responses are competitive and sealed
- Award is based on criteria specified in the RFP; this normally includes a technical response, cost component, and small diverse business (SDB)
- Best and final offers may be sought and accepted
- Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier
- Opening is not public

[Return](#)

# Glossary – Request for Quote

Request for Quote (RFQ):

One of five Solicitation types.

- Issued to suppliers identified on an existing multiple award (ITQ) contract
- Requests a price quote for *non-information technology* solutions
- May also request additional information, such as service or delivery terms
- Because the contract already exists, Document Builder is not used
- Award is based on best value
- Opening is not public

[Return](#)

# Glossary – Request for Quote

Request for Quote (RFQ):

One of five Solicitation types.

- Issued to suppliers identified on an existing multiple award (ITQ) contract
- Requests a price quote for *non-information technology* solutions
- May also request additional information, such as service or delivery terms
- Because the contract already exists, Document Builder is not used
- Award is based on best value
- Opening is not public

[Return](#)

# Glossary – Request for Quote

Request for Quote (RFQ):

One of five Solicitation types.

- Issued to suppliers identified on an existing multiple award (ITQ) contract
- Requests a price quote for *non-information technology* solutions
- May also request additional information, such as service or delivery terms
- Because the contract already exists, Document Builder is not used
- Award is based on best value
- Opening is not public

[Return](#)

# Glossary – Request for Quote IT ITQ

Request for Quote – IT ITQ (RFQ IT ITQ):

One of five Solicitation types.

- Issued to suppliers on an existing contract
- Requests a price quote and solution information for IT procurements less than \$5 million
- Document Builder is used to create the RFQ IT ITQ
- Award is based on best value
- Opening is not public

[Return](#)

# Glossary – Request for Quote IT ITQ

Request for Quote – IT ITQ (RFQ IT ITQ):

One of five Solicitation types.

- Issued to suppliers on an existing contract
- Requests a price quote and solution information for IT procurements less than \$5 million
- Document Builder is used to create the RFQ IT ITQ
- Award is based on best value
- Opening is not public

Return

# Glossary – Request for Quote IT ITQ

Request for Quote – IT ITQ (RFQ IT ITQ):

One of five Solicitation types.

- Issued to suppliers on an existing contract
- Requests a price quote and solution information for IT procurements less than \$5 million
- Document Builder is used to create the RFQ IT ITQ
- Award is based on best value
- Opening is not public

[Return](#)

# Glossary – Requirement

## Requirement:

The term used to refer to a requisition which has been approved and routed to a procurement professional to process into a Solicitation or PO.

[Return](#)

# Glossary – Requirement

## Requirement:

The term used to refer to a requisition which has been approved and routed to a procurement professional to process into a Solicitation or PO.

[Return](#)

# Glossary – Requirement

## Requirement:

The term used to refer to a requisition which has been approved and routed to a procurement professional to process into a Solicitation or PO.

[Return](#)

# Glossary – Response

## Response:

A generic term used to refer to a supplier's offer to provide materials or services to the Commonwealth, including pricing and other criteria.

A response to a Solicitation may be in the form of a bid, proposal, quote, or other submission.

[Return](#)

# Glossary – Response

## Response:

A generic term used to refer to a supplier's offer to provide materials or services to the Commonwealth, including pricing and other criteria.

A response to a Solicitation may be in the form of a bid, proposal, quote, or other submission.

[Return](#)

# Glossary – Response

## Response:

A generic term used to refer to a supplier's offer to provide materials or services to the Commonwealth, including pricing and other criteria.

A response to a Solicitation may be in the form of a bid, proposal, quote, or other submission.

[Return](#)

# Glossary – Response

## Response:

A generic term used to refer to a supplier's offer to provide materials or services to the Commonwealth, including pricing and other criteria.

A response to a Solicitation may be in the form of a bid, proposal, quote, or other submission.

[Return](#)

# Glossary – Solicitation

## **Solicitation:**

A request for registered suppliers to submit an offer (bid, proposal, or quote) to provide materials or services to the Commonwealth. There are five Solicitation types:

### 1. Request for Proposal (RFP):

Issued under two conditions: 1. when no contract exists 2. the supplier must develop and propose the solution. Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier. Document Builder is used to create the RFP. Responses are competitive and sealed. Best and final offers may be sought and accepted; the award is based on criteria specified in the RFP. The opening is not public

### 2. Invitation for Bid (IFB):

Issued when no contract exists and the material or service can be uniquely specified. Document Builder is used to create the IFB. Responses are competitive and sealed. Award is based on price and the opening is public

### 3. Request for Quote – IT ITQ (RFQ IT ITQ):

Issued to suppliers on an existing contract. Requests a price quote for IT procurements less than \$5 million. Document Builder is used to create the RFQ IT ITQ. Award is based on best value and the opening is not public

### 4. Request for Quote – ITQ (RFQ):

Issued to suppliers identified on an existing multiple award ITQ (non-IT) contract. Requests a price quote for non-information technology solutions. Because the contract already exists, Document Builder is not used. The award is based on best value and the opening is not public

### 5. Supplier Pricing Request (SPR):

Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source. Document Builder is used to create the SPR. The agency adds justification to the cart and transfers it to DGS. DGS creates the SPR and issues the PO for materials; the agency issues the PO for services. Opening is not public

# Glossary – Solicitation

## **Solicitation:**

A request for registered suppliers to submit an offer (bid, proposal, or quote) to provide materials or services to the Commonwealth. There are five Solicitation types:

### 1. Request for Proposal (RFP):

Issued under two conditions: 1. when no contract exists 2. the supplier must develop and propose the solution. Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier. Document Builder is used to create the RFP. Responses are competitive and sealed. Best and final offers may be sought and accepted; the award is based on criteria specified in the RFP. The opening is not public

### 2. Invitation for Bid (IFB):

Issued when no contract exists and the material or service can be uniquely specified. Document Builder is used to create the IFB. Responses are competitive and sealed. Award is based on price and the opening is public

### 3. Request for Quote – IT ITQ (RFQ IT ITQ):

Issued to suppliers on an existing contract. Requests a price quote for IT procurements less than \$5 million. Document Builder is used to create the RFQ IT ITQ. Award is based on best value and the opening is not public

### 4. Request for Quote – ITQ (RFQ):

Issued to suppliers identified on an existing multiple award ITQ (non-IT) contract. Requests a price quote for non-information technology solutions. Because the contract already exists, Document Builder is not used. The award is based on best value and the opening is not public

### 5. Supplier Pricing Request (SPR):

Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source. Document Builder is used to create the SPR. The agency adds justification to the cart and transfers it to DGS. DGS creates the SPR and issues the PO for materials; the agency issues the PO for services. Opening is not public

# Glossary – Solicitation

## **Solicitation:**

A request for registered suppliers to submit an offer (bid, proposal, or quote) to provide materials or services to the Commonwealth. There are five Solicitation types:

### 1. Request for Proposal (RFP):

Issued under two conditions: 1. when no contract exists 2. the supplier must develop and propose the solution. Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier. Document Builder is used to create the RFP. Responses are competitive and sealed. Best and final offers may be sought and accepted; the award is based on criteria specified in the RFP. The opening is not public

### 2. Invitation for Bid (IFB):

Issued when no contract exists and the material or service can be uniquely specified. Document Builder is used to create the IFB. Responses are competitive and sealed. Award is based on price and the opening is public

### 3. Request for Quote – IT ITQ (RFQ IT ITQ):

Issued to suppliers on an existing contract. Requests a price quote for IT procurements less than \$5 million. Document Builder is used to create the RFQ IT ITQ. Award is based on best value and the opening is not public

### 4. Request for Quote – ITQ (RFQ):

Issued to suppliers identified on an existing multiple award ITQ (non-IT) contract. Requests a price quote for non-information technology solutions. Because the contract already exists, Document Builder is not used. The award is based on best value and the opening is not public

### 5. Supplier Pricing Request (SPR):

Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source. Document Builder is used to create the SPR. The agency adds justification to the cart and transfers it to DGS. DGS creates the SPR and issues the PO for materials; the agency issues the PO for services. Opening is not public

# Glossary – Solicitation

## **Solicitation:**

A request for registered suppliers to submit an offer (bid, proposal, or quote) to provide materials or services to the Commonwealth. There are five Solicitation types:

### 1. Request for Proposal (RFP):

Issued under two conditions: 1. when no contract exists 2. the supplier must develop and propose the solution. Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier. Document Builder is used to create the RFP. Responses are competitive and sealed. Best and final offers may be sought and accepted; the award is based on criteria specified in the RFP. The opening is not public

### 2. Invitation for Bid (IFB):

Issued when no contract exists and the material or service can be uniquely specified. Document Builder is used to create the IFB. Responses are competitive and sealed. Award is based on price and the opening is public

### 3. Request for Quote – IT ITQ (RFQ IT ITQ):

Issued to suppliers on an existing contract. Requests a price quote for IT procurements less than \$5 million. Document Builder is used to create the RFQ IT ITQ. Award is based on best value and the opening is not public

### 4. Request for Quote – ITQ (RFQ):

Issued to suppliers identified on an existing multiple award ITQ (non-IT) contract. Requests a price quote for non-information technology solutions. Because the contract already exists, Document Builder is not used. The award is based on best value and the opening is not public

### 5. Supplier Pricing Request (SPR):

Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source. Document Builder is used to create the SPR. The agency adds justification to the cart and transfers it to DGS. DGS creates the SPR and issues the PO for materials; the agency issues the PO for services. Opening is not public

# Glossary – Solicitation

## **Solicitation:**

A request for registered suppliers to submit an offer (bid, proposal, or quote) to provide materials or services to the Commonwealth. There are five Solicitation types:

### 1. Request for Proposal (RFP):

Issued under two conditions: 1. when no contract exists 2. the supplier must develop and propose the solution. Is issued when the requirement requests an information technology solution with a value over \$5 million from an ITQ (Invitation to Qualify) qualified supplier. Document Builder is used to create the RFP. Responses are competitive and sealed. Best and final offers may be sought and accepted; the award is based on criteria specified in the RFP. The opening is not public

### 2. Invitation for Bid (IFB):

Issued when no contract exists and the material or service can be uniquely specified. Document Builder is used to create the IFB. Responses are competitive and sealed. Award is based on price and the opening is public

### 3. Request for Quote – IT ITQ (RFQ IT ITQ):

Issued to suppliers on an existing contract. Requests a price quote for IT procurements less than \$5 million. Document Builder is used to create the RFQ IT ITQ. Award is based on best value and the opening is not public

### 4. Request for Quote – ITQ (RFQ):

Issued to suppliers identified on an existing multiple award ITQ (non-IT) contract. Requests a price quote for non-information technology solutions. Because the contract already exists, Document Builder is not used. The award is based on best value and the opening is not public

### 5. Supplier Pricing Request (SPR):

Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole source. Document Builder is used to create the SPR. The agency adds justification to the cart and transfers it to DGS. DGS creates the SPR and issues the PO for materials; the agency issues the PO for services. Opening is not public

# Glossary – Supplier Collaboration

## Supplier Collaboration:

In context with SRM, supplier collaboration is the electronic exchange of information between the Commonwealth and suppliers during the procurement process. The collaboration provided by SRM allows electronic access to supplier catalogs by both the supplier and the Commonwealth; suppliers are able to keep information up-to-date and the Commonwealth is able to access current information.

[Return](#)

# Glossary – Supplier Pricing Request (SPR)

## Supplier Pricing Request (SPR):

- Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole/single source
- Document Builder is used to create the SPR
- The agency adds justification to the cart and transfers it to DGS (for materials only)
- DGS creates the SPR and issues the PO for materials; the agency creates SPR and issues the PO for services
- Opening is not public

[Return](#)

# Glossary – Supplier Pricing Request (SPR)

## Supplier Pricing Request (SPR):

- Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole/single source
- Document Builder is used to create the SPR
- The agency adds justification to the cart and transfers it to DGS (for materials only)
- DGS creates the SPR and issues the PO for materials; the agency creates SPR and issues the PO for services
- Opening is not public

[Return](#)

# Glossary – Supplier Pricing Request (SPR)

## Supplier Pricing Request (SPR):

- Used to obtain a price quote from an identified supplier when the conditions justify the use of a sole/single source
- Document Builder is used to create the SPR
- The agency adds justification to the cart and transfers it to DGS (for materials only)
- DGS creates the SPR and issues the PO for materials; the agency creates SPR and issues the PO for services
- Opening is not public

[Return](#)

# Glossary – Supplier Registration

## Supplier Registration:

A series of steps suppliers must complete in order to gain access to the PA Supplier Portal. All procurement suppliers must register to be considered a source of supply or services and to respond to Solicitations electronically.

[Return](#)

# Glossary – Workflow

## Workflow:

A term used to refer to the movement of work from one responsible party to another. SRM's workflow automatically routes requirements to responsible parties based on established guidelines and approval thresholds.

[Return](#)