

Lake Superior State University

Section: Business and Support Operations

Section Number: 3.20.9

Subject: Local Vendor Preference Policy

Date: April 14, 2017

To help small local vendors effectively compete for our business, Lake Superior State University extends a 5% bid preference to local companies for supplies, equipment and nonprofessional services (cleaning, construction/repair, signs, waste management, etc.) up to \$25,000.

Bids received from local vendors will be reduced 5% before an evaluation is made to determine the lowest bidder. If a local vendor is selected, the award will be made in the amount shown on the vendor's bid, i.e., if \$1,000 is bid by a local vendor, the bid would be evaluated at \$950; and if the bid is awarded to the local vendor, their bid price would be paid at \$1,000.

Local Vendor Definition

"A person or legal entity which has a place of business with a physical address within the tri-county area of Chippewa, Luce and Mackinac counties."

The address must:

- be an established place of business licensed to do business in the State of Michigan, and
- have a business location in the tri-county area for a least one (1) year prior to a bid award.

Qualifying for Local Vendor

Businesses wanting to qualify as a local vendor must complete a [Local Vendor Preference Affidavit](#). The affidavit is good for one (1) year as long as the business qualifies as a local vendor. It is the responsibility of the business to insure their affidavit is in effect when they submit a bid to receive preference. Final determination of qualifications is the decision of the Purchasing Department.

Exceptions to this policy:

1. Purchases that are funded in whole or in part by assistance from federal, state or local agency that disallows local preference
2. Purchases made through a cooperative agreement
3. Purchases made with university purchase cards
4. Purchases made by the university bookstore for resale

Insurance Requirements

All vendors and/or individuals performing work or services on University property must carry insurance coverage satisfactory to the University. The proof of insurance certificates will be submitted to the Purchasing Department, where the certificates will be filed and monitored as being current.