

MEMORANDUM

TO: Deans, Directors and Department Heads

FROM: Mary Peloquin-Dodd, *Mary Peloquin-Dodd* Associate Vice Chancellor, Finance and University Treasurer

SUBJECT: Shop the MarketPlace First Initiative

DATE: December 8, 2021

Purchasing from MarketPlace supplier catalogs provides the university buyers with up to a 6% discount over manufacturer's list price, as well as free shipping and sales tax-free ordering. In addition, using the MarketPlace streamlines the procurement process for all users and allows for pre-purchase approvals. It eliminates paper invoicing and reduces the risk of duplicate invoice payments, saving time for the university community. MarketPlace also allows the university to pay suppliers electronically, which produces an average cost savings of \$25 per order.

In a continuing effort to improve effectiveness, save money, and enhance the procurement process for the university community, NC State is moving to required use of the NC State eProcurement MarketPlace for all supply purchases of less than \$2,500.

To activate the transition, effective January 4, 2022, when entering vouchers for invoice payments valued at less than \$2,500, a financial system warning will display and the initiator will be required to enter the reason that the MarketPlace was not used. This information will allow the university to improve item selections in the MarketPlace catalogs and ensure that the pricing is the same or better than could be obtained without our negotiated prices. More information on this initiative can be found on the Procurement & Business Services [website](#).

Since beginning the "Shop the MarketPlace First" initiative in 2017, NC State has been able to eliminate over 31,000 paper invoices, avoiding \$775,000 in processing costs alone. Currently we process an average of 7,500 supply invoices valued at \$2,500, or less per year. With the use of the MarketPlace for all supply orders under \$2,500, the university could realize an additional annual cost savings of over \$187,500, plus the savings realized on shipping costs and avoided sales tax.

Thank you for your assistance with this cost savings initiative. If you have questions, please contact Blain Woods (jbwoods@ncsu.edu, 919.515.6885) or Sharon Loosman (sdloosma@ncsu.edu, 919.513.4206) with Procurement & Business Services.

cc: Charles A. Maimone, Vice Chancellor, Finance and Administration