

MEMORANDUM

TO: Deans, Directors and Department Heads

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

SUBJECT: Shop the MarketPlace First Initiative

DATE: May 1, 2020

In a continuing effort to save money, improve efficiency, and enhance the procurement process for the University community, NC State is moving to required use of the NC State eProcurement MarketPlace for supply purchases of less than \$1,000.

Using MarketPlace suppliers provides the University 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 duplicate invoice payments, saving time for the university community. MarketPlace also allows the University to pay suppliers electronically. The total process cost savings is estimated to be \$25 per order.

Since beginning the "Shop the MarketPlace First" initiative in 2017 for supply orders under \$250, NC State has been able to eliminate 22,000 paper invoices, saving the university \$617,560. Currently we estimate there are still 4,200 invoices valued at \$1,000 or less, that are processed each year. With the required use of the MarketPlace for all supply orders under \$1,000, the university could realize an additional annual cost savings of \$277,681.

Effective July 1-2020, when entering a voucher request for supply purchases valued at less than \$1,000, 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](#).

If you have questions, please contact [Blain Woods](#) at 919.515.6885 or [Sharon Loosman](#) at 919.513.4206.

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