Responding to Reverse Auctions

The following will guide a vendor through the process of responding to a Reverse Auction in Procure.AZ. Reverse auctions, to put it simply, are like eBay in reverse. With a Reverse Auction, vendors bid against each other downward for the win.

All Reverse Auctions offered by the State in ProcureAZ will be managed online, including Reverse Auction responses by vendors. In order to respond to a Reverse Auction, a Vendor must be a fully registered vendor in ProcureAZ. If the vendor is not registered, they should register by accessing the ProcureAZ login screen and selecting Register.

For vendors who are fully registered, log in with the User ID and Password.

**Creating a Response to the Reverse Auction**

In ProcureAZ, a response to a solicitation is referred to as a “Quote.”

Once you are viewing an active, open Reverse Auction, you can create a response by clicking the View Auction button on the bottom of the screen.

**Viewing Auction and Creating Quotes**

Reverse Auctions are different from standard ProcureAZ solicitations because vendors can view the auction results as other vendors respond. This allows vendors to monitor the lowest cost and submit a new Quote that beats that lowest cost, just like any auction.

To view the auction, click the View Auction button from the bottom of the Bid document.
This will display the **Auction Overview** screen. The following fields are listed here:

- **Bid Number** – System number used for tracking the solicitation
- **Description** – Description of the Reverse Auction
- **Bid Opening Date** – Date/Time by which all Quotes must be submitted (see below for how Soft Close, if enabled, can impact Time Remaining on Auction)
- **Soft Close Enabled** – Indicates whether a “soft close” will be used (see below for description)
- **Soft Close Order Date** – Date/Time at which the soft close monitoring will occur (see below for description)
- **Soft Close Quiet Period** – Duration of soft close monitoring (see below for description)
- **Time Remaining on Auction** – Time left before Quotes will no longer be accepted
- **Last Lowest Quote Total** – Lowest total price for last submitted Quote
- **Send Email Notification of Outbid** – Check this box if you want to receive an email if you have been outbid. Click “Save & Continue” once you have checked this box to activate this control.

If other Quotes have been submitted, you can view the Quote history by clicking one of the following buttons:

- **Auction Total History** – Displays a chart showing the history of the total cost for Quotes submitted (total cost of all items summed together)
**Item Auction History** – Displays a chart listing the Quote history for each item on the Reverse Auction.

To create a response, click the **Create Quote** button. This will open the **Quote** screen and tabs.

The following provides a description of key fields provided on the **General** tab of the Quote. Please note that the * denotes a required field.
Responding to Reverse Auctions

- **Quote Number** – Will be auto assigned upon completion of the General tab
- **Description** – Same as the bid description; Can be edited to provide a description of your response, if appropriate
- **Delivery Days** – If applicable, number of days for delivery (if response is for an ongoing, orderable set of goods or services)
- **Discount Percent** – If entered, will apply the discount to all items on Quote. If discount is item by item, please use the Items tab
- **Is “No Bid”** – Selecting no bid will notify the agency that you do not wish to submit a response
- **Alternate Bid** – If the vendor submits multiple Quotes, the vendor can flag specific response as “alternate”
- **Terms** – Defaults to terms selected during vendor registration. These can be modified by selecting the appropriate term from the drop down menu
- **Promised Date** – If applicable, promised date for delivery of the requested good or service (for one-time delivery)
- **Info Contact** – Enter Vendor primary contact information for the solicitation response
- **Comments** – Enter in any comments for the Quote. This will display to the buyer and be considered part of your response

Once the vendor has entered in the necessary fields, click **Save and Continue**. The screen will refresh and a Quote number will be assigned.

**Items Tab**

The items tab is where the vendor will enter pricing information for the items requested.
The following fields allow for the vendor to enter in information:

- **Unit Cost** – Enter in the unit cost per item. ProcureAZ will automatically multiply the unit cost by the quantity. Note the solicitation could have a minimum bid increment which can be found in the upper left hand corner. If a value is set here, your corresponding bid must beat the current lowest Quote for that item by an amount greater than or equal to the minimum bid increment.

- **Discount Percent** – Enter in the discount for the specific item, if applicable. ProcureAZ will automatically calculate the amount

- **Tax Rate** – If applicable, choose the Tax Rate. ProcureAZ will automatically calculate the amount

- **Freight** – If applicable, enter the freight

- **No Bid** – If checked, the vendor is not supplying a Quote for this specific item

- **No Charge** – If checked, the item is considered to be included provided the vendor is awarded the contract

- **Alternate Description** – An alternate description can be provided, either to supplement the description provided in the State’s solicitation or to replace the State’s description. For example, you can use this field to indicate if you are providing a different brand, or if your pricing is based on a specific unit of measure that is different than indicated in the solicitation.

Once completed, click **Save & Continue**

**NOTE:** It is very important that you confirm with the individual conducting the auction what will be considered a “low bid.” For example, Tax Rate, Discount Percentage, etc. may be excluded from the final tally.
Subcontractor Tab

If indicated as part of a solicitation, a response may require you to indicate if you are using subcontractors. If subcontractors are used, you may be asked to provide the following information:

- Identify the specific vendor/subcontractor. The vendor must be registered in Procure.AZ. You can search for the vendor by clicking Look up and Add Vendor. If the subcontractor is not registered, they must register prior to submitting your response, or you may be considered non-responsive.
- Provide a proposed dollar amount being paid to the subcontractor if you are awarded the contract.
- Identify whether the subcontractor is a specified category, such as small or minority business.

Notes Tab

The Notes tab allows vendors to record internal comments. For example if multiple vendor users are working on a response, the Notes tab can be used to track changes from one user to another. Please note the agency issuing the solicitation will NOT see any notes when evaluating the responses.

Attachments Tab

The Attachments tab allows the Vendor to add any necessary documentation for the Quote. This can include specifications, statement of work, pricing sheets and any other relevant information.

To add an attachment, click Add Attachments. The following screen will appear.

Use the Browse button to search for the file to upload from your computer. Once chosen, the vendor can edit the name of the file as well as giving it a description. Once completed, click Save & Exit.

The Attachments tab will then list all attachments on the Quote. The Vendor may select an attachment and mark it Confidential. The State, pursuant to A.C.R.R. R2-7-104, shall review all requests for confidentiality and provide a written determination.
Responding to Reverse Auctions

Summary Tab

The Summary Tab is the Vendor’s opportunity to review all the information entered on the Quote. If any changes need to be made, select the tab to go back to that screen and edit the information.

The **Print** button allows the Vendor to print a copy for records.

The **Submit Quote** button will submit the Quote into the system. No changes can be made to the Quote after it has been submitted. In order to lower your cost, you must create and submit a new Quote.

The **Cancel Quote** button cancels the Quote.

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### Submitting Additional Quotes if Soft Close is Enabled

If **Soft Close Enabled** is set to Yes, and a Quote is received between the **Soft Close Order Date** and the end of the **Soft Close Quiet Period**, bidders can continue to submit additional Quotes for a period equal to the **Soft Close Quiet Period** until the duration of time specified by the **Soft Close Quiet Period** has elapsed with no additional Quotes submitted, allowing participating Vendors to submit competing Quotes. This is to prevent vendors from submitting a last-minute price Quote to win award without giving others an opportunity to respond.
Amendments and Acknowledgements

If the Agency makes an amendment to the Bid, the Vendor must acknowledge the amendment. The vendor will receive an email and the amendment will be shown on the Seller homepage. On the bids tab, a new section will appear labeled as Bid Amendments Unacknowledged.

Clicking on the Bid number will bring the vendor to the Bid Detail view. Once the vendor has read the amendments, click the Acknowledge Amendments button. Please note that if the Amendment makes a change to the items, the Vendor may wish to withdraw any Quotes in the system and make updates based on the Amendment before resubmitting the Quote.

<table>
<thead>
<tr>
<th>Bid #</th>
<th>Organization</th>
<th>Alternate Id</th>
<th>Buyer</th>
<th>Description</th>
<th>Bid Opening Date</th>
<th>Pr Bid Conference</th>
<th>Bid Holder</th>
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<tbody>
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<td>Afternoon Training Sessions</td>
<td></td>
<td></td>
<td>printing services</td>
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<td>Chris Harris</td>
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Amendments:  

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<th>Amendment Note</th>
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<td>1</td>
<td>06/25/2009 01:46:04 AM</td>
<td>Header 1 Bid Opening Date changed from 06/25/2009 02:45:00 AM to 06/25/2009 03:45:00 AM</td>
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Item Information

Item #1: (204 - 54) 20" Flat Screen Monitor

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<tr>
<th>City</th>
<th>Unit Cost</th>
<th>UOM</th>
<th>Total Discount Amt.</th>
<th>Tax Rate</th>
<th>Tax Amount</th>
<th>Total Cost</th>
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Manufacturer:  

Model:

Brand:

Unit:

Note:

Packaging:

Acknowledgment Amendments(s)  Print Page  Create Quote  Bid Q & A  Exit