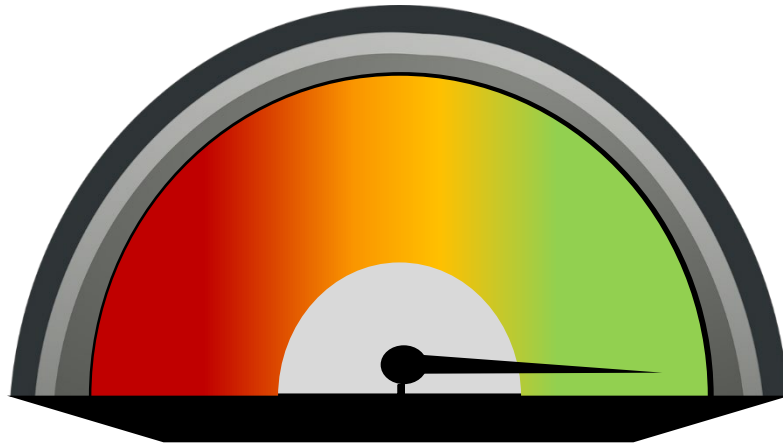


NEBRASKA

DEPT. OF ADMINISTRATIVE SERVICES

MATERIEL DIVISION - STATE PURCHASING BUREAU (SPB)



VENDOR PERFORMANCE PROGRAM (VPP) GUIDE

VERSION 1.2
Effective: 04/18/2024

Guide & referenced documents are located at: <https://das.nebraska.gov/forms/index.html#mat>

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I. INTRODUCTION

The Vendor Performance Program has been established to address and resolve issues that may arise between agencies and external vendors. **It is important to note that this program does not replace the need for contract management.**

When a contract has been awarded to a vendor by the State of Nebraska, it is assumed that both parties have entered into the agreement in good faith, and will perform their respective duties and obligations in accordance with the contract. When a vendor provides goods or services which meet the contract specifications, at the agreed upon price per unit, and with the quality as required by the contract, this is considered acceptable performance by the vendor.

Some helpful tips to encourage successful vendor relationships include:

- Fully understanding the contract requirements
- Setting clear expectations early
- Assuring invoices are paid timely in accordance with the contract requirements
- Being ethical, fair, and reasonable
- Documenting performance throughout the life of the contract
- Communicating regularly and respectfully

Agencies may be adversely impacted when vendors fail to meet their contractual obligations. By properly documenting and communicating poor vendor performance (non-performance) experiences with the vendor in a timely manner, vendors will develop a clear understanding of the State's performance expectations. Examples of non-performance include, but are not limited to: unauthorized substitutions, damaged shipments, invoice inaccuracies, unauthorized price changes, missed scheduled delivery times, late worker arrivals, any other contract requirement(s) not being met.

When an agency determines a vendor is not meeting their contractual obligations, the issue should be addressed in a timely manner. Agencies should not wait until it is time to award a new contract to decide that the vendor is not performing as required, or that the product does not meet their specifications. When documentation is lacking or non-existent, it is extremely difficult to consider a vendor's past performance with the State when the time comes to award a new contract.

Bringing an issue to the vendor's attention may also help their organization identify a problem with their own internal processes, which may lead to improved experiences for future purchases.

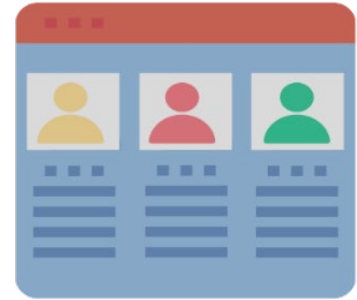
II. PROGRAM GOALS



Improve overall vendor performance on all State contracts.



Encourage effective communication with vendors.



Build accessible histories of vendor performance over time.

III. PROGRAM OVERVIEW

The State of Nebraska Vendor Performance Program provides a structure that allows agencies to:

- Provide feedback on purchasing experiences with any vendor
- Make vendors aware of their performance issues, and give them an opportunity to resolve
- Establish a statewide record of performance issues that can be considered during evaluations for future bid opportunities

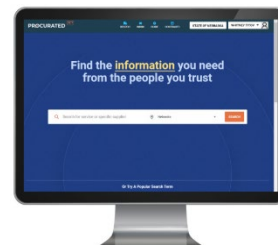
A. CONTINUOUS FEEDBACK ON EXPERIENCES WITH VENDORS

Periodically, State public servants identified as the *Originator* and/or *Buyer* on purchase orders generated in JD Edwards EnterpriseOne (aka: E1, PFC, NIS) may receive a request via e-mail from our third-party partner, *Procurated*, asking for a rating/review for a vendor on a recent purchase. If a State public servant receives a review request but they are not the correct person to review, they should forward the request to the appropriate person.

Participation in the online rating and review platform is highly encouraged as the ratings may be used by agencies to evaluate past performance of bidders in future bid opportunities for services. Ratings are also monitored to identify opportunities to improve vendor performance across the State. **When submitting a review, agencies should provide information that is entirely factual.** The Materiel Division may contact users to confirm accuracy of statements. Access may be removed for users that submit reviews found to contain false or misleading statements.

PROCURATED

To submit ratings and reviews, please visit [Procurated.com](https://procurated.com) and sign up using your State of Nebraska e-mail address.



B. NOTIFYING VENDOR OF UNSATISFACTORY PERFORMANCE

In most situations, agencies can work directly with their vendor to find a mutually beneficial solution. Should the vendor fail to provide commodities/services that meet the requirements or specifications of a contractual agreement, the using agency may document this failure and request resolution by sending a **Contract Compliance Request (CCR)** to the vendor.

⚠ Agencies should first review the contract to ensure that the contract includes the requirement(s) the vendor is believed to have failed to perform. The vendor should not be expected to perform outside of the contract scope.

1. All Contract Compliance Requests must be approved at the submitting agency's level, and should be reviewed by the agency's legal counsel. **Sensitive information that should not be made publicly available should be redacted from any documents/attachments.**
 - a. **If the contract is owned or maintained by the State Purchasing Bureau, the request must be sent to DAS Materiel/SPB for final approval at: AS.MaterielPurchasing@nebraska.gov.**
2. Upon receiving final approval notification, the agency contact may send the request to the Vendor (preferably as a PDF) and instruct the vendor to confirm receipt.
 - a. If sending hard copy via mail, agencies must send the request as certified mail and request a delivery receipt/confirmation.
 - b. Agencies must send a copy of the request, and the vendor's receipt confirmation to the State Purchasing Bureau.
3. Copies of all Contract Compliance Requests will be kept on file with the Vendor Performance Program for 8 years according to the retention schedule.

To download the Contract Compliance Request template, or view step-by-step instructions for completing, please visit: <https://das.nebraska.gov/forms/index.html#mat>.

State of Nebraska
VENDOR PERFORMANCE NOTICE

1000'S PLACE - 401 EAST FIFTH ST. LINCOLN, NE 68502

VENDOR COMPANY NAME: _____
AGENCY CONTRACT NUMBER: _____
AGENCY MATERIAL CONTRACT NUMBER: _____
ITEM OR ITEM DESCRIPTION: _____

PLEASE BE ADVISED:

The State of Nebraska is **NOTIFYING YOU** for specified non-compliance and/or unsatisfactory performance of **Contract # _____** **Material Contract # _____**.

Please acknowledge receipt by completing and signing the vendor acknowledgment section of this notice and returning to the project lead office no later than the **RESPONSE DEADLINE**. Lack of response, or continued delinquency, may be considered as non-compliance.

PLEASE USE YOUR RESPONSE TO: **VENDOR CONTACT NUMBER:** _____
AGENCY CONTACT NUMBER: _____

| DELIVERY | QUALITY | MISCELLANEOUS |
|--|--|---|
| <input type="checkbox"/> Late delivery | <input type="checkbox"/> Unacceptable quantity | <input type="checkbox"/> Unacceptable quality |
| <input type="checkbox"/> Non-delivery | <input type="checkbox"/> Unacceptable condition | <input type="checkbox"/> Wrong materials |
| <input type="checkbox"/> Incorrect invoice address | <input type="checkbox"/> Unacceptable delivery | <input type="checkbox"/> Failure to follow |
| <input type="checkbox"/> Partial delivery - correct delivery address | <input type="checkbox"/> Unacceptable performance in accordance | <input type="checkbox"/> Failure to Clean Upon Completion |
| <input type="checkbox"/> Failure to Replace Damaged Goods | <input type="checkbox"/> Failure to Meet Specifications and Requirements | <input type="checkbox"/> Unacceptable |
| <input type="checkbox"/> Other: | | <input type="checkbox"/> Unacceptable Price Change(s) |

SUMMARY OF PERFORMANCE ISSUE:
Please provide a brief description of the performance issue, including date.

C. ESCALATING UNRESOLVED/PUBLIC SAFETY ISSUES

If an agency is still unable to resolve an issue after sending a CCR – or experiences an issue that becomes a significant matter of public safety – they may request assistance from DAS Materiel/SPB to facilitate a resolution. This is documented through a **Contract Non-Compliance Notice (CNCN)** to the State Purchasing Bureau for resolution facilitation assistance. **In emergency situations, agencies should not wait to submit a CNCN before addressing the emergency.**

⚠ Agencies should first review the contract to ensure that the contract includes the requirement(s) the vendor is believed to have failed to perform. The vendor should not be expected to perform outside of the contract scope.

1. All notices, regardless of contract owner, must be approved at the submitting agency's level, and should be reviewed by their agency's legal counsel. After agency level approvals, notices must be sent to DAS Materiel/SPB at: AS.MaterielPurchasing@nebraska.gov.
 - i. **Sensitive information that should not be made publicly available should be redacted from any documents/attachments prior to sending to DAS Materiel/SPB.**
 - ii. Agencies should attach any referenced document(s) and supporting documentation and provide a summary of the attachments noting their relevance to the notice.
2. Upon DAS Materiel/SPB approval, the Vendor Programs Manager will contact the vendor via e-mail providing instructions for next steps, specifying a reasonable due date for the vendor to respond.
3. By the due date set forth in the communication from the Vendor Programs Manager, the vendor must submit a written response via e-mail with a corrective action plan describing the steps they will take to resolve the issue. At times, the issue may be complex and require a meeting with the using agency and Vendor to discuss.
4. Once received, the Vendor Programs Manager and SPB Procurement Contracts Officer will review the vendor's response with the using agency. If the vendor provides a solution that is acceptable to the using agency, they will be given a reasonable due date to complete the corrective action plan.
5. A vendor's failure to provide a reasonable solution that is acceptable to the State will be considered a failure on the part of the vendor to correct the dispute. This failure may become the basis for canceling the contract.
6. Copies of all Contract Non-Compliance Notices and any accompanying documentation submitted to the State Purchasing Bureau will be kept on file with the Vendor Performance Program for 8 years according to the retention schedule.

To download the Contract Non-Compliance Notice form, or view step-by-step instructions for completing, please visit:
<https://das.nebraska.gov/forms/index.html#mat>.

| SEVERITY | 1 | 2 | 3 | 4 | 5 |
|----------|---|----|----|----|----|
| 1 | 1 | 2 | 3 | 4 | 5 |
| 2 | 2 | 4 | 6 | 8 | 10 |
| 3 | 3 | 6 | 9 | 12 | 15 |
| 4 | 4 | 8 | 12 | 16 | 20 |
| 5 | 5 | 10 | 15 | 20 | 25 |

IV. INCORPORATING PROGRAM RESOURCES INTO RFP EVALUATIONS

Agencies may incorporate Contract Compliance Requests, Contract Non-Compliance Notices, and Procurated ratings information for each evaluated bidder into their evaluation criteria for Requests for Proposals (RFPs).

Agencies that decide to incorporate these criteria into their RFP evaluations must determine the total possible points for this section. The evaluation criteria should be based on the agency's assessment of importance & risk. Agencies are encouraged to consider past performance issues experienced with the current and/or previous contractor, and the risk to their agency, the State of Nebraska, and the public we serve should the contractor fail to meet contract requirements.

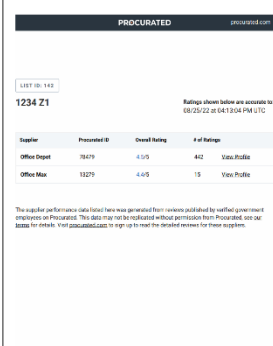
A. CONTRACT COMPLIANCE REQUESTS AND CONTRACT NON-COMPLIANCE NOTICES

The Vendor Performance applications found in the Purchasing menu in JD Edwards EnterpriseOne allow users with a PT role from all agencies to view Contract Compliance Requests and Contract Non-Compliance Notices on file and export the data. VPP Resource Lookup Instructions can be found at <https://das.nebraska.gov/forms/index.html#mat>.

B. PROCURATED RATINGS

State of Nebraska user dashboards on Procurated.com allow agencies to create a list of suppliers, then generate a PDF for download showing all suppliers on the list with their current overall Procurated.com rating. The PDF will display a date & time stamp of when the PDF was generated.

Procurated Rating Lookup Instructions can be found at <https://das.nebraska.gov/forms/index.html#mat>.



| Supplier | Procurated ID | Overall Rating | # of Ratings |
|--------------|---------------|----------------|--------------|
| Office Depot | 78479 | 4.0/5 | 442 |
| Office Max | 13279 | 4.0/5 | 15 |

The supplier performance data listed here was generated from reviews published by verified government employees on Procurated. This data may not be replicated without permission from Procurated. See our [terms](#) for details. Visit procurated.com to sign up to read the detailed reviews for these suppliers.