

I. **VENDOR PERFORMANCE REPORTS**

Agencies may, at times, experience problems with late deliveries, non-deliveries, inferior product, unauthorized product substitutions, etc. These should be addressed in a timely manner. Agencies are encouraged to address the problem directly with the vendor. If an agency is unable to resolve the problem, they may request assistance from the State Purchasing Bureau. This is documented through a Vendor Performance Report.

It is recommended that the agency call the vendor to discuss the problem and then follow up in writing with a copy of the Vendor Performance Report to the State Purchasing Bureau. The agency should follow up with the vendor until the problem is resolved, or contact the State Purchasing Bureau for assistance.

When Vendor Performance Reports are used correctly, they can result in better vendor performance, improved contracts, and increased customer satisfaction. Agencies need to understand the importance of ongoing documentation, reporting, and not waiting until it is time to award a new contract to decide that the product does not meet their needs or the vendor is not performing as required. It is difficult to disqualify a vendor for non-performance when documentation is lacking or non-existent.

1. Vendor Performance Report Procedures

- a. When a vendor fails to provide commodities and/or services to meet the specifications of an Invitation to Bid /Request for Proposal, the agency will document this failure to the State Purchasing Bureau through the use of a Vendor Performance Report.
- b. The agency will be responsible for indicating on the Vendor Performance Report if it is for informational purposes, in which case no further action will be taken, or if the agency is requesting State Purchasing Bureau to contact the vendor for resolution. If the agency has resolved the dispute and is providing a report for informational purposes, the agency should indicate how the dispute was resolved.
- c. If the agency is requesting that the State Purchasing Bureau contact the vendor for resolution, the State Purchasing Bureau will contact the vendor via letter and will provide the basis for the dispute.
 - i. At times, the issue may be complex and require a meeting with the vendor to discuss the dispute(s) in the Vendor Performance Report.
- d. The vendor will be required to submit a written response, via letter, as to the steps being taken to resolve the dispute regarding vendor performance within the designated time period set forth in the letter from the State Purchasing Bureau.
- e. The State Purchasing Bureau will review the vendor's response with the agency. If the vendor fails to provide a reasonable solution that is acceptable to the State, the State will consider this a failure on the part of the vendor to correct the dispute.
- f. The vendor will be given a reasonable time period to correct the action.

- g. Failure to correct the dispute satisfactorily at the sole discretion of the State of Nebraska may be the basis for canceling the contract and suspending the vendor from bidding in the future on the State's needs.
- h. Two (2) or more submissions of Vendor Performance Reports that require State Purchasing Bureau intervention to resolve disputes may result in the vendor being suspended from bidding on the State's needs.
- i. All documentation regarding the Vendor Performance Report and response from the vendor and agency will be kept on file with the State Purchasing Bureau.