

CONTINUOUS IMPROVEMENT UPDATE

Date: May 2003

Team Name: Vendorizing
Process Improvement
Team

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Date: _____

Team Leader: Susan Montes

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Locator Code: 1433

Dates of Meetings: Bi-Weekly

Team Members: Susan Montes, Carmen Oliva, Siomara Trujillo, Amy Lopez, Liana Morales, Altug Ozeren.

Team Resources: Bob Dale, Howard Gitlow, Jackie Hamilton, Patricia McGivern, Estrella Flores, Chris McHugh, Cholandra Powell, Cathy Richardson, Ana Perez, Dr. Anthony Hynes, Nora Rodriguez, Charlie Farmer.

Business and Finance Mission Statement: To continuously improve and innovate support services, to constantly exceed the University's need for high quality, cost effective services, to safeguard and improve return on University assets, and to help the schools and colleges of the University anticipate and respond to external opportunities and vulnerabilities.

Team Mission Statement: To improve the vendorizing process while ensuring the University does business with reputable suppliers.

How Will Success Achieving The Mission Be Measured: Success will be measured by controlling and reducing variation, or stabilizing the process using control charts for each step of the vendorizing process:

- The time it takes from receipt of requisition to the buyer sending the vendor application to the supplier.
- The time it takes for the vendor to fill out the application and send it back.
- The time in which the vendorizer receives the application and the time it takes to input into the database upon completion of all checks.

Current Status of Team and Action Plan:

- Flowchart the vendorizing process.
- Survey stakeholders.
- Examine all the procedures affecting the process.
- Collect data on the different components of lead times associated with the process.
- Analyze the data.
- Identify special variances.
- Benchmark with other Universities.
- Determine if our lead times are excessive.

Team Process:

1. **Project:** Analyze the different components, which make up the vendorizing process and determine if the process is stable (all data points fall within the control limits).

2. **Reason Selected:** The Vendor database contains a total of 12,000 suppliers of which only 4,000 are considered active. Approximately 150 new vendors get added every month and an average of 225 vendor updates/modifications (name, address, contact changes, etc.) are done on a monthly basis. The process has become very complex with all the demands put on purchasing from both internal and external entities. End users were surveyed from each campus to get their perception of the vendorizing process. In general, end users believe approving a new supplier takes too long; the application is too long and too intimidating particularly if you are spending less than \$100. They also feel they have to do too much follow up to get the application back from the vendor. Some felt the time we keep a vendor in the system is too short. Currently a vendor is kept in our database for 18 months. See exhibit "A" for end users survey results.

3. **Situation Analysis:** Before the University does any business with a new supplier, it must be vendorized. See Exhibit "B" for process flow chart. There are many elements to this process including a vendor application (See Exhibit C), which must be filled out and signed by the potential supplier. The vendor application consists of 1) general information (names, addresses, remit to etc.), 2) tax information, 3) type of ownership, including minority status, 4) certifications for compliance which include: a) conflict of interest b) debarment c) HIPPA requirements, d) Medicare/Medicaid fraud, e) EEOC & Civil Rights 5) Insurance Requirements and 6) UNSPSC codes. Purchasing then performs a State of Florida Corporation and Human Resources check to see if there are any potential conflicts of interest, checks the excluded parties list to see if the potential supplier is on the debarment list, and does a D & B report on anything over \$10,000 to check for financial stability. Many of these steps are required from different internal departments/areas of the university: Controller's Office, Equality Administration, Sponsored Programs, Risk Management, and UMeNET for purchasing data collection.

4. **Data Collection:** We have collected the following data:

- Vendorizing cycle time
- Surveys of end users

- Benchmarking with other Universities

5. Data Analysis:

Vendorizing Cycle Time: There are three basic lead-time components to the vendorizing cycle time:

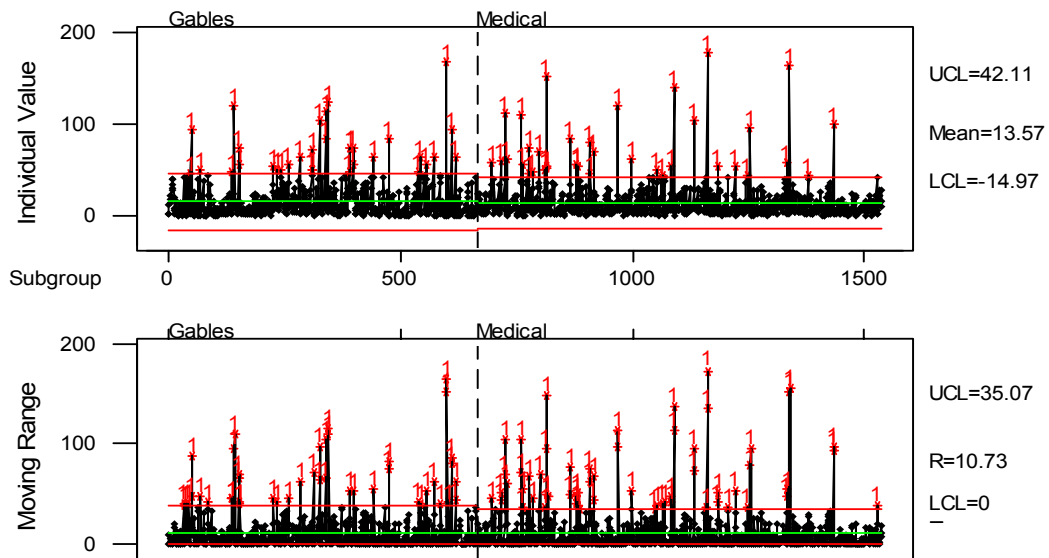
- 1) The time it takes from receipt of requisition to the buyer sending the vendor application to the supplier.
- 2) The time it takes for the vendor to fill out the application and send it back.
- 3) The time in which the vendorizer receives the application and the time it takes to input into the database upon completion of all checks.

The data was analyzed with two types of Control Charts; Individual (I) control charts, generally used to control data with subgroup size of 1, and Moving Range (MR) charts, used to control process stability. If the range is out-of-control (extremely low or extremely high) at certain days or entries, then the process indicates 'special causes of variation', and they have to be resolved before improving the process. (The 'R' in the R-Chart is the average range, which is "moving" throughout time - as indicated by the data).

We had several hypotheses regarding the vendorizing process. First, we checked the data to see if there are any significant differences between the vendorization processes at the Medical Campus vs. the Coral Gables Campus. There weren't any. Then, we analyzed these three steps in order to find which of these steps takes the most time. All of the control charts indicated an out of control condition. Further analysis is needed to determine trends for specific department, buyer, or supplier. One cannot determine with a high degree of accuracy how long the process will take in the future.

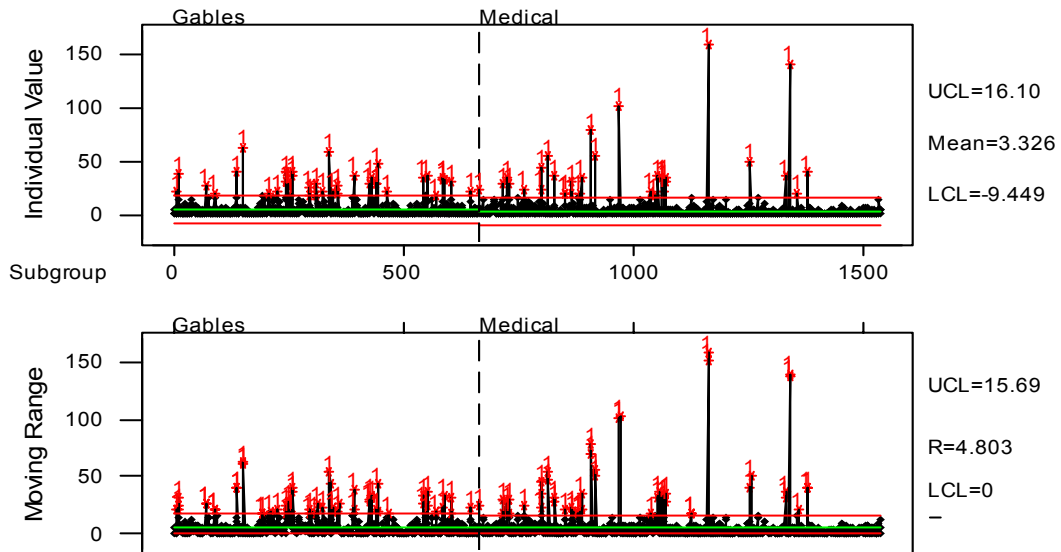
The Total number of days it takes to complete the vendorizing process.

I-MR Chart for Total Number of Days by Campus



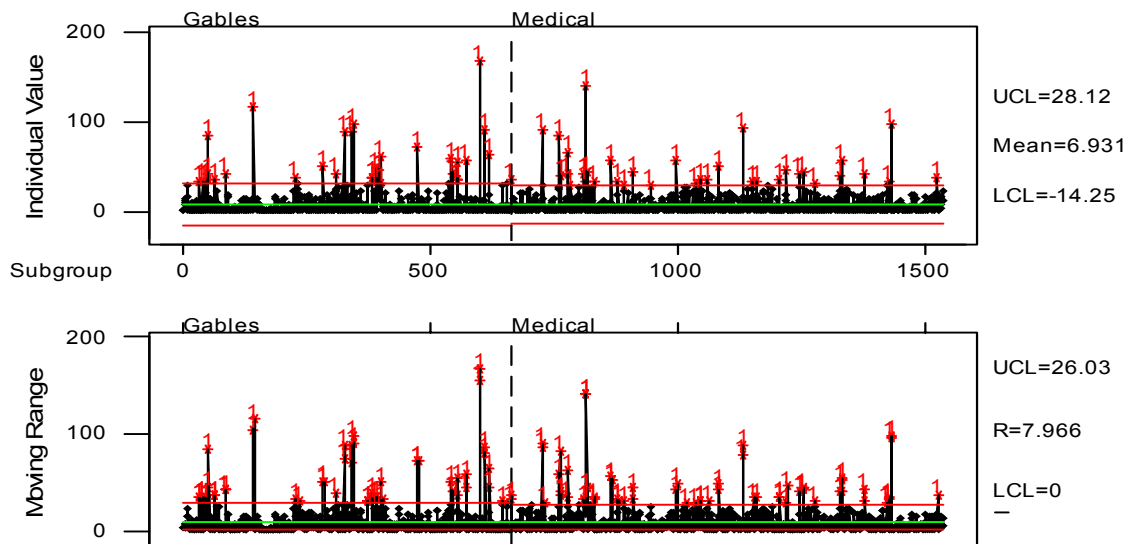
Step 1: The time it takes from receipt of requisition to the buyer sending the vendor application to the supplier

I-MR Chart for Number of Days to Request VA by Campus



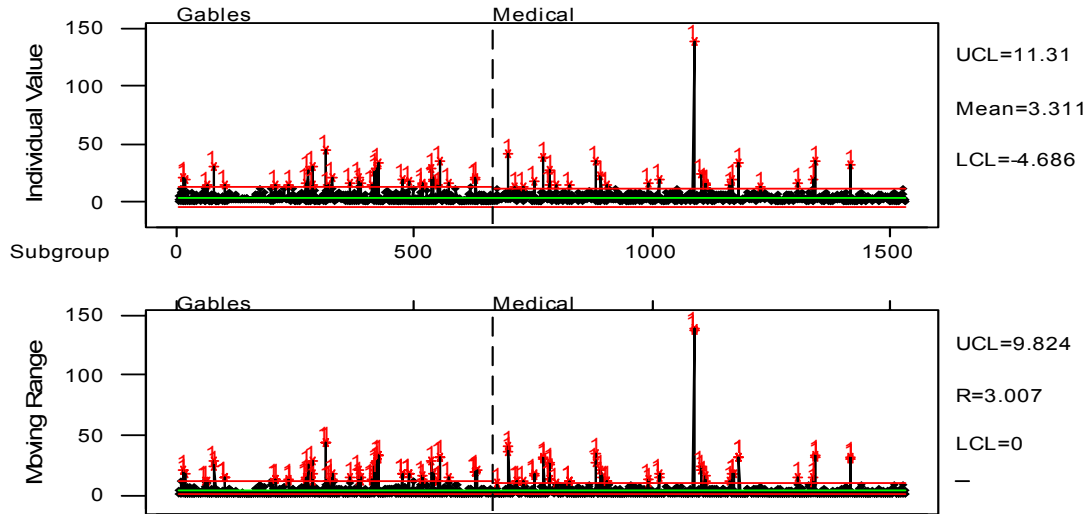
Step 2: The time it takes for the vendor to fill out the application and send it back.

I-MR Chart for Number of Days VA Complete by Campus



Step 3: The time in which the vendorizer receives the application and the time it takes to input into the database upon completion of all checks.

I-MR Chart for Number of Days to Vendorize by Campus



We also analyzed the data to see if the vendors that took too long to process in Step 1, were causing delays in Steps 2 and 3 as well. This hypothesis proved false, as we found out that the 'problematic' vendors were quite different for all three steps.

Benchmark with other Universities: We contacted the following universities to inquire what their vendorizing process was:

This data has been removed to preserve the confidentiality of shared information in accord with the principles of the Benchmarking Code of Conduct.

6. Recommendation to stabilize the process:

Change #1: The vendor application is now being emailed to supplier vs. faxing or mailing it.

Reason: To reduce lead-time. The application was being faxed or mailed since it has to be signed off. We stopped having them printed and made an electronic file. The next step is to make the application interactive on our purchasing web page to further reduce the lead-time.

Change #2: The buyer is now responsible to coordinate with the vendorizer on the status of the supplier.

Reason: We found there was a lack of coordination and follow up between the buyer and the vendorizer. The vendorizer did not begin the background check process (corporate check, HR check, D & B etc) until the application was received and submitted by the buyer.

Change #3: Created a 2-page short vendor application (as opposed to our current 7 page) for certain commodities and purchase orders under \$500.

Reason: Some suppliers have complained that it is too much work to fill out so many pages for small purchases.

Change #4: Use the 2-page short vendor application for other Universities, Government agencies, Hospitals, and Hotels.

Reason: There are some establishments that we know are legitimate to do business with, universities in particular. They also take the longest because no one knows who should fill out the paperwork.

Change #5: Eliminate getting a D & B for every purchase over \$10,000. We will now pull one on any item over \$100,000 or on an as needed basis.

Reason: It is rare that we have ever rejected a supplier at that low dollar level. In addition no other universities use D & B s unless it is construction or major capital equipment. Currently we pay approximately \$25,000 annually for D & B reporting.

7. Next Steps

- Identify and resolve special causes.
 - analyze out of control data utilizing a Pareto Analysis.
- Continue to collect data to see if recommended changes stabilize the process.
- Once the process is stabilized, reduce the common causes of variation.

Exhibit A

Below are responses received on the Vendorizing Survey at the Medical Campus:

- From Taj Forchion, Materials Resources, Bascom Palmer Eye Institute:
 - 1) What do you think about our vendorizing process in general? The vendor process is okay, but sometimes it takes too long when the vendors don't fill out paperwork correctly.
 - 2) What do you not like about it? Too many papers, and they need to be condensed. Vendors should be able to be reactivated after they kick out, without having to fill out another application.
 - 3) Any particular step you have issues with? N/A
- From Jackie Hamilton, Purchasing Coordinator, The Miami Project:

- 1) What do you think about our vendorizing process in general? The vendorizing process in general is very good, but requires the cooperation of the vendor. It is best to call and get a contact name so that the vendor application can be sent to the attention of the contact person. Some vendors are reluctant to provide the information requested, especially regarding insurance. But this is a very important step.

- From Patricia McGivern, Ophthalmology:

- 1) What do you think about our vendorizing process in general? I think it is a bit tedious, but necessary to gather all pertinent information at one time and to protect the institution, as the vendor has to agree to our terms and conditions.
- 2) What do you not like about it? The length of time it takes. We have to wait for the vendor to complete the forms and then wait for the University to approve. To jump-start the process, I try to send applications to as many vendors as I can and get them back completed so I can include them with the supporting documents sent to the buyer.
- 3) Any particular step you have issues with? I get the most calls from vendors asking for clarification on the insurance issues. There should be a way to be a little clearer on that policy.

- From Estrella Flores, Physical Plant:

- 1) What do you think about our vendorizing process in general? We understand that you need to follow procedures, but the process is still very slow.
- 2) What do you not like about it? The process is too slow, especially when there is an emergency and we need to get a PO on a new vendor right away.
- 3) Any particular step you have issues with? There are too many steps.

Vendors share the same concern with us that it takes too long. The process of verification of insurance (if done at Gables) is very slow. I guess that Gables doesn't face the same emergency problems that we at Medical do on a daily basis. There is a need of understanding that emergencies at Medical need to be taken care of right away or we will be facing irretrievable consequences, such as loss of years of research information/materials.

- From Chris McHugh, Director of Materials Resources, UM/Sylvester:

- 1) What do you think about our vendorizing process in general? One of the biggest issues I hear from the companies that we fax the application to, is that it is too long and several of the questions need to be reviewed by their attorney before they could complete it. Several of the areas they wish to "x" out, but we must instruct them not to.
- 2) What do you not like about it? There are issues with the amount of time it takes to process each application, due to the process.
- 3) Any particular step you have issues with? Insurance requirements.

- From Cholandra Powell, Staff Associate UMHC:

- 1) What do you think about our vendorizing process in general? I don't like it.

- 2) What do you not like about it? It is too lengthy.
- 3) Any particular step you have issues with? Vendors don't like to return the application right away because there is a lot of wording they need to review, and they want to be extra careful not to sign something they don't understand. So they spend time sending it to their legal department, when they may not even need to.

Below are responses received on the Vendorizing Survey at the Coral Gables Campus:

- **From Cathy Richardson, Facilities Planning & Construction:*

- 1) What do you think about our vendorizing process in general? The process is good and the necessary information gets filled out.
- 2) What do you not like about it? She likes the form.
- 3) Any particular steps you have issues with? The 6th page for UNSPSC codes needs more simplifying and the addition for Architectural and Engineering Services, Legal and Consulting Services etc., basically to add the commodities that are mostly used within the Facilities Department.

A tax-exempt certificate should be attached with the application.

- *From Ana Perez, Athletics*

- 1) What do you think about our vendorizing process in general? The application is too long and when the vendors receive it, they get intimidated and overwhelmed with the long form.
- 2) What do you not like about it? It looks good, but maybe a few questions should be removed.
- 3) Any particular steps you have issues with? The corporate officer's information usually never gets filled out and should be removed from the application. What is important is that the vendor states if he is or is not the owner and have a section for just the owner's information.

For the Minority Classification section, too many options are given.

In the first page of the application where it asks, "Are you a general services administration vendor and the attachment of current agreements if so," are questions not necessary for the vendor to be approved. To provide such a list, which does not happen, delays the return of the application. Usually the vendor application goes through a couple of people and/or departments before the correct person fills it out. The more information we request the longer it takes the vendor to return it.

Page six of the application for UNSPSC Codes needs to include Catering Services, Sporting Equipment and Rentals of equipment such as for tables, chairs, trucks etc.

The first page we're asked about Discounts of Published List Price and/or Educational are not necessary and instead should only provide the discounts that will be provided to the University department.

The new application form is better and more presentable and also has the information in proper sections.

Below are responses received on the Vendorizing Survey at the RSMAS Campus:

- *From Dr. Anthony Hynes, Marine Atmospheric Chemistry*

I think the current forms are unreasonable for small infrequent purchases. I presume the current forms are there to prevent fraud and perhaps there should be a threshold i.e. \$5K/year in sales that triggers the need for the detailed forms. Perhaps this could be resolved by encouraging the use of credit cards/business expense reimbursements for occasional small purchases. We would need to know what a “reasonable” limit on the amount i.e. \$1K, would be.

Once we get someone in the system we should keep them in for a longer period before purging them (is done annually). I have some vendors i.e. Spectra Physics, Hammamatsu, and I may go more than a year between purchases.

- *From Nora Rodriguez, Marine Atmospheric Chemistry:*

- 1) What do you think about our vendorizing process in general? While the University may have the need for it, there is an urgent need for streamlining the process. It usually takes at least two weeks, and often a month. This time frame may be acceptable for office supplies, but very often, when our scientists are trying to get ready for a cruise, or need something essential for their research, it virtually paralyzes the process. They are often dealing with deadlines to report the outcome of their research to government agencies and the delay in getting their research supplies/equipment complicates it.
- 2) What do you not like about it? While the process is always initiated, it too often falls between the cracks. (In essence the forms will be forwarded to the vendor, but it is not followed-up). Quite often, we have had to either remind Purchasing about it or call the vendor, or do both. It takes too long to process. (Of course, if the vendor doesn't return it, it won't get done...quite often the person receiving the form doesn't realize that he or she is holding up a potential sale because of it. Once they are aware they move a bit faster)
- 3) Any particular step you have issues with? The form is too long. The process needs to be shortened and steps provided so that follow up is automatically done a day or two after faxing/emailing the form.

A major step is the time they keep a vendor on the system. Right now the span is too short and while the company may be vendorized this year, if nothing is purchased in the year that follows, the company will again be dropped from the vendor list. Couldn't the vendor info be kept in a file and if requested again, just add him in again? I realize that the vendor list is too huge, but there should be a way to keep this info on file (or scanned and saved on a computer) and eliminate having the vendor reapply. This alone would save at least two weeks time, plus the time wasted on follow up.

With the addition of the new Ariba system, perhaps this will allow for the other processes, which are usually more involved/complicated (vendorizing, purchasing major equipment, etc).

Thanks for the opportunity to voice a concern. I think it's wonderful that the Purchasing Department is open to suggestions for improvement.

- *From Charlie Farmer, Marine Atmospheric Chemistry:*

Thank you for including me in the process, and I'm sorry I haven't gotten back to you sooner. While I don't know all the ins and outs of the process, and only have limited perspective of one of those "scientists", there are a couple of comments I would like to make. Often the vendorizing process seems to take a long time. In the past typically I would find out something about an upcoming cruise or field study late in the preparation, or a piece of equipment would break down at the last minute and we would need to get parts. We would submit a "rush" PO, or even an EPO, for the needed items only to learn a week or more later that the company had to be vendorized and that is what was holding up the process. In one case in particular, we ordered a sea cable for a cruise, and because of that problem, we didn't get the cable until 2 days before we sailed. And we were shipped the wrong cable. We had no choice but to use the incorrect cable and suffer with the reduced ability to collect data. Had the vendorizing process been a little quicker, we may have been able to return the incorrect cable for the one we ordered. (This happened well before you joined RSMAS.) Another major frustration is the "purging" of vendors after a relatively short period of time. We may order from a particular company only every 2 to 3 years, so every time we use them they have to be revendorized. The cable company mentioned above is an example. Once the vendor has been vendorized, there should be a quick and easy way to reuse them within maybe 5 years without having to go through the whole process again.

Mostly, because of the hard work of you and others, the process is invisible to me, and knowing of the limitation, we have tried to work around the process. Just this week I placed orders on my personal charge card to avoid the vendorizing process. Maybe the school should set up a purchasing charge card so small, under \$100, orders could be placed with companies and avoid vendorizing them all together. I know more paper work, but not really, now I have to cut a BERF and send all that paperwork through the system.

Thanks again for thinking of me, and if you have any questions or need any further information please feel free to contact me.

Exhibit B

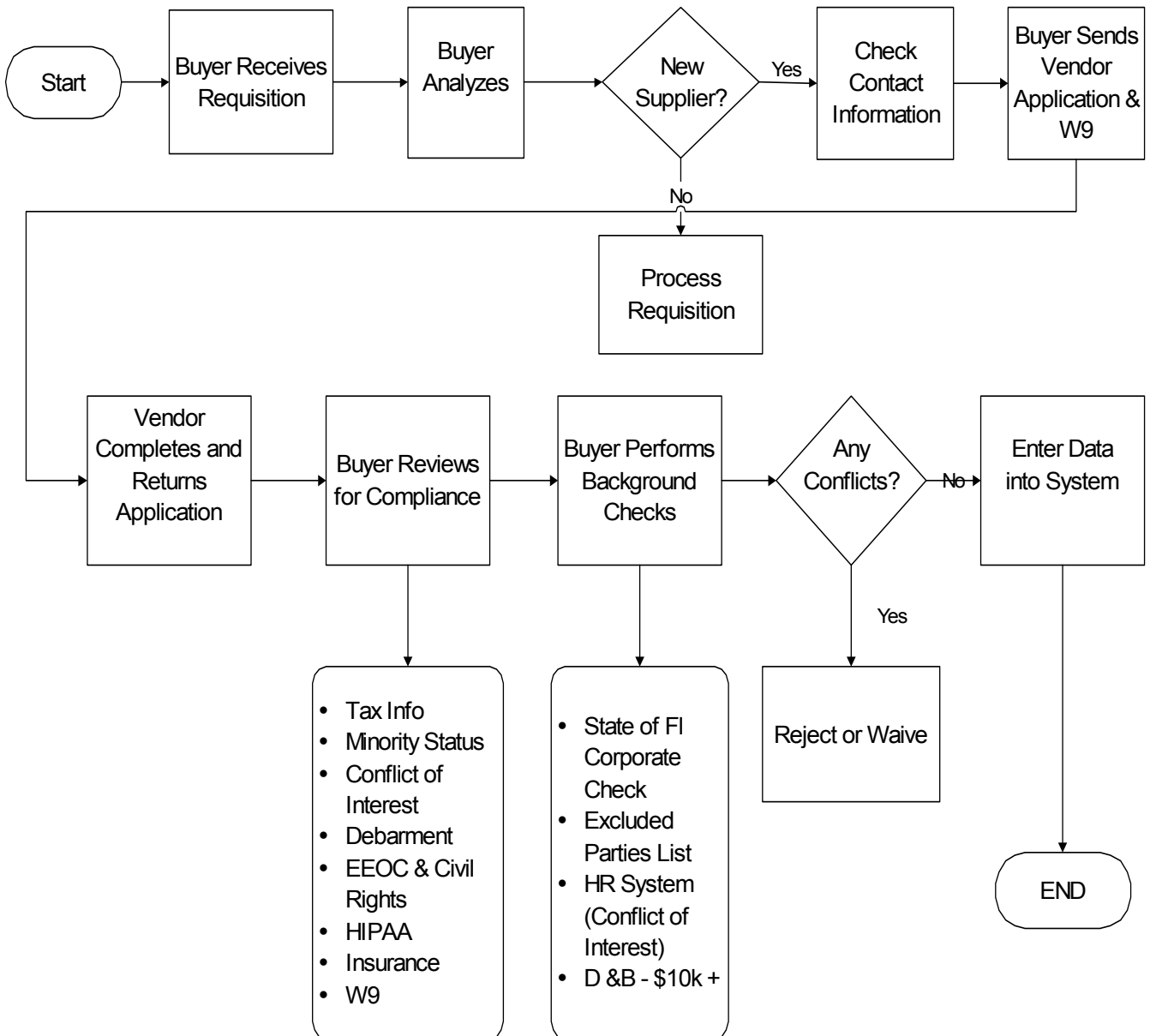


Exhibit C

Dear Vendor,

University of Miami procurement policy requires that all firms selling materials, equipment and / or services be evaluated for our current supplier list. It is essential that your company completes all the information requested on the attached vendor application, and returns it to the University of Miami Purchasing Department for processing.

Please take note of the insurance requirements listed in the vendor application. All vendors must be in compliance if providing any type of on-site delivery, repair, installation, maintenance work, etc. No services or work will be permitted unless the proper insurance requirements have been met.

The University utilizes a purchase order in all acquisitions. Contracts and orders placed without a purchase order, signed by an individual who has been granted signature authority by the Board of Trustees, are the sole responsibility of the vendor and individual requesting the material or service.

The University of Miami is committed to conducting its business affairs in a fair and ethical manner. Vendors are expected to conduct themselves in accordance with fair, ethical and legal trade practices when doing business with the University. Vendor representatives are welcome to visit the University. Vendors are asked to schedule appointments before visiting with the University faculty and staff.

Vendors are encouraged to negotiate agreements with the University which provide favorable terms and conditions such as special pricing, delivery, and payment terms. The University expects the pricing and terms to be extended to all of its schools and administrative offices.

Once a business relationship has been established, the University expects the terms of this agreement to be honored at all times. Should the University have reason to believe that a vendor has breached the terms of an agreement, a timely inquiry shall be conducted to determine the facts of the matter. Violations of the terms of an agreement by a vendor may result in the University permanently ceasing to conduct business with said vendor.

University policy prohibits our employees and members of their immediate family from accepting gifts or travel incentives from those companies supplying goods or services to the University. We include in the definition of a gift the use of entertainment, property or personal facilities for weekends, vacations or any other reason.

It is your responsibility to circulate this letter and information to the individuals in your company responsible for engaging in business with the University of Miami. The transaction of business in an open and ethical manner that promotes fair competition is in the best interest of the University and its business partners.

Sincerely,

Susan R. Montes, C.P.M., CPIM
Director of University Purchasing

By affixing a signature below, you are certifying that the above terms have been read and understood and that your company will abide by them.

Company Name	Representative's Name
Signature of Authorized Representative	Date

If Yes, please attach a list of current agreements.

Section III. Tax Information

Taxpayer Identification Number

Employer Identification Number OR Social Security Number
 OR

Please attach a completed W-9 form, copy of social security card, alien registration card, or visa. W-9 forms can be obtained at the following web site: <http://ftp.fedworld.gov/pub/irs-pdf/fw9.pdf>

Tax Reporting Name or Business Name

Name shown on required federal tax documents (if different than the vendor/payee name).

Individuals and Sole Proprietors using their social security number, as their taxpayer ID number must indicate their individual name as shown on their social security card.

1099 Tax Reporting

Please indicate if any of the following categories apply to your business.

- Attorney or Legal Firm
- Medical Services by Individuals and/or Partnerships
- Medical Services by Corporations

If exempt from 1099 reporting, check your qualifying exemption reason below:

- Corporation (except for medical or legal services)
- Tax Exempt Charity under 501(a) or IRA
- The United States or any of its agencies or instrumentalities
- A state, the District of Columbia, a possession of the United States, or any of their political subdivisions
- A foreign government or any of its political subdivisions

Under penalties of perjury, I certify that the number shown on this form is my correct Taxpayer Identification Number and the responses provided herein are true and accurate.

Signature	Date	Phone Number
Please Print Name of Signer		

Section IV. Type of Ownership

Please check one

- Association
- Corporation
- Government Agency-Federal
- Government Agency-State
- Government Agency-Local
- Government Agency-Other Individual
- Limited Liability Company
- Limited Liability Partnership
- Partnership
- Private For Profit
- Private Non-Profit
- Sole Proprietorship

Foreign Owned

Foreign Individual - Are you a US citizen or permanent resident? Yes No

Country of residence	<input type="text"/>
State/country where services will be provided	<input type="text"/>

Foreign Owned

Country of Incorporation	<input type="text"/>
State/country where services will be provided	<input type="text"/>

Section V. Officers

Owner If more than one owner, use additional pages if needed.

	First Name	Last Name	Percentage
			_____%
	Email	Phone Number	
President			
	First Name	Last Name	Percentage
			_____%
	Email	Phone Number	
Vice President			
	First Name	Last Name	Percentage
			_____%
	Email	Phone Number	
Treasurer			
	First Name	Last Name	Percentage
			_____%
	Email	Phone Number	
Secretary			
	First Name	Last Name	Percentage
			_____%
	Email	Phone Number	

Section VI. Owner Identification

Are you a business certified by:

- Miami-Dade County (MDC)
- Small Business Administration (SBA)
- State of Florida
- Other (e.g., Florida Regional Minority Business Council)
- Not certified

Include a copy of your most recent minority business certification from Miami-Dade County, Small Business Administration, State of Florida, or other certifying agency.

Please check all that apply:

- American Woman-owned Small Business
- Asian Indian Americans (origins include India/Pakistan/Bangladesh)
- Asian Pacific Americans (origins include Japan/China/Philippines/Vietnam/Korea)
- Black or African American
- Educational Institution
- Government Organization or Agency
- Hispanic American
- Hub Zone Business
- Labor Surplus Area Concern
- Large Business Concern
- Native Americans (Americans/Eskimos/Aleuts/Native Hawaiians)
- Physically/Mentally Disabled
- Small Business Concern
- Small Disadvantaged Business Concern
- Utility
- Veteran-owned Small Business

Note: In all categories other than size and geographies there must be at least 51% owned and active participation in the business to qualify.

Section VII. Certification

UNIVERSITY OF MIAMI PARTICIPATION:

Are you or any significant stockholder (10% or more of the current authorized stock), partner or employee of your organization, member of their family an employee of the University? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, enter name and social security number (use additional pages if more than one).		
Last Name	First Name	Middle Initial
Social Security Number		

DEBARTMENT

Under penalties of perjury, vendor certifies that it is not a debarred, suspended, or ineligible party as defined in the rules implementing Executive Order 12549 and agrees to notify immediately if it is placed on the List of Parties Excluded from Federal Procurement or Non-procurement Programs.
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PROTECTED HEALTH INFORMATION

To extent vendor will have or be given access to Protected Health Information as defined in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) as part of performing services hereunder, vendor will be deemed a Business Associate of University for purposes of this Agreement and will comply with all requirements of a Business Associate under HIPAA and/or any Addendum to this Agreement which University may provide.

MEDICARE / MEDICAID / FEDERAL HEALTHCARE PROGRAMS:

Vendor represents and warrants that Vendor or anyone with a direct or indirect ownership control (interest) has never been (1) convicted of a criminal offense related to health care and / or related to the provision of services paid for by Medicare, Medicaid or another federal health care program; or (2) excluded from participation in any federal health care program, including Medicare and Medicaid. Vendor is required to immediately notify the University if any of the foregoing conditions occur. The University reserves the right to terminate this agreement immediately upon notification by Vendor, or discovery by the University that any of the foregoing conditions occurred.

EQUAL EMPLOYMENT OPPORTUNITY AND CIVIL RIGHTS:

All Vendors of the University of Miami shall comply, and have complied with all State, Federal and local laws, regulations, applicable to the purchase, manufacture, processing and delivery of materials, including but not limited to the Fair Labor Standards Act of 1938, as amended. The Equal Opportunity Clause contained in Section 202 of Executive Order 11246 and the Affirmative Action Clauses contained in 41 CFR Section 60-250 and 41 CFR Section 60.741 implementing the requirements of the Vietnam Veterans Readjustment Assistance Act of 1974 and the Rehabilitation Act of 1973 are hereby incorporated by reference in subsequent purchase order or other contract between the parties.
The undersigned certifies to the University of Miami that it does not maintain and provide for its employees any segregated in any of its establishments and that it does not permit its employees to perform their services at any location under it where segregated facilities are maintained. The undersigned further agrees that he or she will obtain identical certification or her subcontractors prior to the award of subcontracts exceeding \$10,000 that are not exempt from the provisions of the opportunity clause and will retain such certification in its files.
The undersigned certifies to the University of Miami that if the undersigned has 50 or more employees and a contract/subcontract with the University of Miami for the furnishing of supplies or services or for the use of real or personal property in the amount of \$50,000 or more that it has developed and is maintaining written affirmative action plans for each of its establishments as required by OFCCP regulations 41 C.F.R. Sections 60-1.40, 60-250.5 and 60-741.5.

The undersigned does hereby certify that the foregoing and subsequent statements are true and correct and include all material necessary to identify and explain the operations of _____

as well as the ownership thereof. The undersigned agrees to provide the University of Miami Purchasing Department with current, complete, and accurate information on any project on which it works, and any proposed changes in any contractual agreement. Any misrepresentation will be grounds for terminating any contract, which may be awarded in reliance hereon.

Signature Print Name and Title	Date
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VIII. Insurance Requirements

All vendors contracting with the University of Miami are required to maintain appropriate insurance coverages and limits as outlined below. The following represents the University's basic insurance requirements. Additional coverages / limits may be required for special services or activities:

Comprehensive General Liability

Limits: Bodily Injury Liability \$2 Million CSL
Combined Single Limits

Policy Endorsements Required:

Contractual

Products/Completed Operations

Independent Contractors

Personal Injury

Premises/Operation

Workers Compensation

Limits: Statutory limits set by the State of Florida

USL&H

Other

Jones Act

Automobile Liability

Limits: Bodily Injury Liability \$1 Million CSL
Combined Single Limits

Policy Endorsement Requirements:

All Owned Vehicles

All Non-Owned Vehicles

Professional Liability/Errors and Omission

Some vendors may also be required to obtain the following coverage:

Limits: \$1 Million per occurrence, \$3 Million aggregate

Additional Insured

The University of Miami, a non-profit corporation, must be included as additional insured.

Vendor shall purchase and maintain such insurance as will protect the Vendor and the University of Miami from claims set forth which arise out of or result from the Vendor's operations under the possible contract, whether such operation be by the Vendor or by any subcontractor or employee. The Vendor shall maintain minimum insurance coverage as outlined above.

Prior to execution of this Agreement, Certificates of Insurance shall be submitted to the University of Miami with endorsements providing for thirty (30) days written notice to the University prior to any cancellation or refusal to renew. Additional Insured: The University of Miami, a non-profit corporation, must be named additional insured for general liability, product liability and auto liability.

An insurance binder letter or Certificate of Insurance must be sent to UM Corporate Risk Management as indicated below. Insurance binder letters or a Certificate of Insurance must be filed in Risk Management at least two (2) weeks prior to the execution of any contract or purchase order.

Cancellation or reduction notice: Thirty-day notice of cancellation or material change shall be mailed to University of Miami Corporate Risk Management at the address listed below:

Cancellation or reduction notice: Thirty-day notice of cancellation or material change shall be mailed to University of Miami Corporate Risk Management at the address listed below:

Director of Risk Management
University of Miami
P.O. Box 248106
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IX. UNSPSC Codes

Please indicate the primary UNSPSC code, which applies to your business. Please refer to the following web site to perform a more detailed search: <http://www.un-spssc.net>. Select 1:

- Apparel & Luggage & Personal Care Products
- Building & Construction & Maintenance Services
- Building & Construction Machinery & Accessories
- Chemicals Including Bio Chemicals & Gas Materials
- Cleaning Equipment & Supplies
- Commercial & Military & Private Vehicles & their Accessories & Components
- Defense & Law Enforcement & Security & Safety Equipment & Supplies
- Distribution & Conditioning Systems & Equipment & Components
- Domestic Appliances & Supplies & Consumer Electronic Production
- Drugs & Pharmaceutical Products
- Editorial & Design & Graphic & Fine Art Services
- Education & Training Services
- Electronic Components & Supplies
- Environmental Services
- Farming & Fishing & Forestry & Wildlife Contracting Services
- Farming & Fishing & Forestry & Wildlife Machinery & Accessories
- Financial & Insurance Services
- Food Beverage & Tobacco Products
- Fuels & Fuel Additives & Lubricants & Anti-Corrosive Materials
- Furniture & Furnishings
- Healthcare Services
- Industrial Cleaning Services
- Industrial Manufacturing & Processing Machinery & Accessories
- Industrial Production & Manufacturing Services
- Information Technology
- Laboratory & Measuring & Observing & Testing Equipment
- Lighting & Electrical Accessories & Supplies
- Live Plant and Animal Material and Accessories and Supplies
- Management & Business Professionals & Administrative Services
- Manufacturing Components & Supplies
- Material Handling & Conditioning & Storage Machinery & their Accessories & Supplies
- Medical Equipment & Accessories & Supplies
- Mineral & Textile & Inedible Plant & Animal Materials
- Mining & Oil & Gas Drilling Services
- Mining Machinery & Accessories
- Musical Instruments & Recreational Equipment & Supplies & Accessories
- National Defense & Public Order & Security & Safety Services
- Office Equipment & Accessories & Supplies
- Organizations & Clubs
- Paper Materials & Products
- Personal & Domestic Services
- Politics & Civic Affairs Services
- Power Generation & Distribution Machinery & Accessories
- Printing & Photographic & Audio & Visual Equipment & Supplies
- Public Utilities & Public Sector Related Services
- Published Products
- Research & Science Based Services
- Resin and Rosin and Rubber and Foam and Film and Elastomeric Materials
- Service Industry Machinery & Equipment & Supplies
- Structures & Building & Construction & Manufacturing Components & Supplies
- Timepieces & Jewelry & Gemstone Products
- Tools & General Machinery
- Transportation & Storage & Mail Services
- Travel & Food & Lodging & Entertainment Services

Exhibit D

This exhibit was removed to preserve the confidentiality of information gathered in accord with the Benchmarking Code of Conduct.