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*Note from Editor: Letters, articles, or announcements for publication in the NAEP Bulletin are due on the 5th day of the month preceding publication. E-Mail to nmarkee@naepnet.org*
From the Editor, October 2006

By Neil Markee, Editor-in-Chief

Fall is here and we hope you have made plans to attend your NAEP group meeting. Your editor will be at the New England meeting in North Conway, New Hampshire, listening to what members have to say to help determine what we should cover in the next twelve months.

This month Steve Mack, inspired by a note posted to the NAEP Listserv by Jim Markel (Frederick Community College, Maryland), suggests a list of actions we might take to remember what happened on 9/11/01 and honor those who, once again, have paid a steep price for the freedom we enjoy.

Lloyd Rain examines when what seems to be an agreement is an enforceable contract. Care in this area can spare you a lot of grief down the road. Take a look, you may be surprised.

And your editor takes another swing at trying to convince anyone who will read his copy that the simple total cost to an institution of issuing a purchase order is both all but impossible to determine accurately and probably not a very sharp management tool, in any case.

We just significantly expanded the Purchasing Link commentary team. Jim Markel, the Director of Purchasing at Frederick Community College, has joined Tory Windley and Steve Mack as a regular contributor.
Commentary, October 2006

The Cost of Issuing a Purchase Order

By Neil Markee, Editor-in-Chief

What does it cost to issue a purchase order? Purchasing professionals have been kicking that question around for decades but I'm not sure anyone has come up with a really good answer. Like some others, I responded to the recent NAEP Listserv inquiry and I have been rethinking the issues involved since.

Too often you read in the papers that the Defense Department or some other governmental agency had paid a $245.17 or whatever for a toilet seat or hammer or screw driver purchased through a major Defense Department contractor. The same item might cost a tenth of that at the local box store. So what happened? More likely than not, the item itself cost $25.17 and the $220.00 balance was the amount the company tacked on to cover the cost of processing the transaction.

Earlier, some harried corporate purchasing professional had probably been told that his operation had to come up with some sort of average cost per purchase order to mollify an auditor—or a governmental contracting officer who was reacting to pressure to get a handle on process-cost. After all, "We can't control it if we don't know what it costs we can't manage what we can't measure so get me a reasonable sounding number!" The manufactured number was $200. And maybe that is a reasonable average cost, if the basic purchasing system in place is designed to handle multi-thousand-dollar purchases and doesn't provide buyers with less expensive options.

One Approach

Efforts to benchmark the cost of issuing a purchase order on campus, to allow even a rough comparison among institutions, has long been a frustrating undertaking. Simply dividing the budgeted cost of some hard-to-agree-on fraction of the purchasing department's annual budget by the number of purchase orders issued during the year certainly delivers a number. But you have to wonder about its validity. Aside from the challenges associated with determining what fraction of your purchasing department's budget is devoted to issuing purchaser orders, the problem is that viewing a low number as an indication of increased purchasing effectiveness potentially rewards the use of counter-productive purchasing approaches. Although, for the same overall spend, the average cost-per-transaction declines as the total number of individual transactions increases, nobody would seriously argue that inflating the number of purchase orders issued is a sound approach. Higher education's purchasing professionals would agree that handling an increased number of low-dollar transactions individually is not the key to effective purchasing management.

On the other hand, when your boss says we need a number of some kind now, and you absolutely must come up with that number, like our harried defense contractor, you could
guess at what percentage of your department's budget is devoted to handling purchase orders from start to finish, ignore costs incurred by other departments, multiply that percentage by your department's budget, and come up with an overall, annual total cost. Hopefully, this would exclude the time and money purchasing spends on non-purchase-order issuing efforts—such things as preparing reports to management, debugging campus-wide software, managing the golf course, working on special projects, preparing for audit, etc. Dividing that shaky estimate by the number of purchase order issues would produce an answer that could be labeled as the average cost of issuing a specific group of purchase orders, although I'm not sure how useful it would be to anyone seeking to manage or evaluate a purchasing operation.

**Another Approach**

NACUBO took another approach in its benchmarking effort that paralleled (then) NAEB's effort several years ago. Substantial costs properly associated with the issuance of a purchase order inevitably occur outside the purchasing department. The business officers understood that the total cost of issuing a purchase order actually began to accumulate before it ever reached the purchasing department, and continued after the PO had been issued and the need had been met. And so, they attempted to determine how much time the chief business officer and each person along the decision chain—from earliest involvement until the invoice was paid—had devoted to the purchasing process annually. The number of hours for each person was then multiplied by the person's hourly, total cost of compensation to come up with an annual cost. To do that, of course, they had to compute the total cost of compensation of all the players, and that can be difficult. At best, they came up with a very rough estimate based on a small sample taken during what might or might not have been a typical period of one year.

Tracking down all of the costs involved that are covered by the budgets of the various departments involved along the way is probably an administrative impossibility, if for no other reason than because of the effort involved. I doubt this apparently tidy approach is a "doable" process on a routine basis in the real world. But even an imperfect attempt to measure the process-cost of just a handful of transactions involving the multiple levels of approval common on campus must have been an eye-opener.

**The Wrong Question**

Neither the seemingly too-simple approach outlined earlier nor NACUBO's expensive approach works very well and maybe the real problem was that we and the business officers were asking the wrong basic questions. When you ask yourself, or your boss asks, what does it cost to process a purchase order?, maybe what we want to determine is the cost-benefit ratio of the purchasing process on our campus and how well purchasing serves the institution. Both NAEB and NACUBO asked how much, in an effort to determine how well. Maybe we asked the wrong question.

In the end, perhaps the effective cost-benefit ratio of the purchasing department or just about any other operation on campus is a subjective finding informally determined in the minds of many by dividing its perceived overall value by its perceived overall cost of the operation.

The ongoing, informal consensus evaluation of the performance of the purchasing department on a campus in the minds of end-users at any moment would probably be the most useful measure of purchasing performance, if we could come up with a reliable way to obtain that reading. In any case, end-user satisfaction, although impossible to quantify precisely, has become the most frequently used and probably most effective measure of purchasing's performance. On campus, at least on the business side of the house, success
is determined by end-user satisfaction.

And that has a long reach. Not long ago, John Riley (Arizona State University) noted that high levels of end-user satisfaction can even assist with difficult faculty recruitments. The professors who have a choice, the most sought-after variety, will tend to move away from institutions with ineffective administrative systems that they see as impediments to accomplishing their goals. And usually they can take their grants with them. Helping to retain or recruit a sought-after professor by providing a user-friendly working environment is strategic.

The Real Question

The underlying question may be, "Is the purchasing process, as carried out on this campus, currently simply a necessary evil overhead cost to be minimized or an effective contributor to the overall success of the institution and worthy of investment?" And that probably explains the increased discussion of purchasing's strategic value on campus among NAEP members.

What are some strategic contributions purchasing might deliver? Providing a constantly improving, bulletproof, user-friendly, efficient system that consistently delivers the maximum value for every scarce dollar, in a timely manner, at low process-cost, is both basic and strategic. Although the savings realized may be flash savings that are instantly returned to and subsequently spent by the department involved and never returned to central administration for reallocation, they are genuine and allow the institution to accomplish goals that might have been out of reach otherwise. An efficient system is one that gets the job done effectively at the least possible process-cost. And that makes a strategic contribution because it channels the maximum amount of money to the need and minimizes the amount spent churning the system.

The most effectively managed purchasing departments take advantage of a wide variety of ways to reduce the total number of purchase orders issued, in order to cut process-cost and to drive up the average order-size to increase bargaining leverage and reduce the unit cost of the products and services needed. For example, effective cooperative purchasing is one proven approach that can deliver strategic benefits. Institutions that find ways to avail themselves of the benefits of general cooperative purchasing on a national level as offered by NAEP's long-time partner, the E&I Co-op, and others, will likely reduce their overall process costs. Local purchasing alliances can be useful as well. Ad hoc cooperative purchasing is another possibility. Computerized communication has made it possible to effectively participate in short-term cooperative purchasing agreements involving institutions scattered across the country with immediate, common, specialized needs. NAEP's founders recognized the potential of cooperative purchasing from the start.

Knowing what is going on at sister institutions through contact with your peers could lead to strategic partnerships involving several other universities. If you know which institutions have the most expertise and do the best job in specific areas, you might make use of their expertise and leverage by forming an ongoing alliance with them. Outsourcing is a purchasing tool. All of these approaches seek to maximize market leverage and minimize process costs.

Information

Perhaps the key to strategic purchasing is information. To be known as a strategic contributor, purchasing must demonstrate that it is interested in what is happening everywhere on campus. Providing those who set strategic goals for the institution with new options is strategic. For example, if you know what is going on in terms of research over at
the business school, and you know more about your suppliers than what they sell and how much it costs, you may have in hand tools that are not available elsewhere on campus to help the business school dean find a sponsor for research that is of interest to your supplier.

The same goes for what is going on at the medical school, within the civil engineering faculty and elsewhere on campus—within both the academic community and on the business side of the house. Your institution might be well qualified to assist a supplier with research they have underway or are planning. By seeking to become involved in the planning process and using purchasing-specific assets such as daily contact with the nation's business community and taking advantage of your unique perspective, purchasing can help establish important, mutually beneficial, strategic relationships that might not be directly related to buying and selling.

Maybe you can lease surplus space on another campus or share expertise and avoid that anticipated new construction altogether. Sharing a much larger, better-equipped research facility than any one of the institutions with a common need could afford/justify might be possible and a strategic benefit when dollars are tight. The challenge is to identify options not visible to others.

**Image**

Developing a positive image on campus is a key part of this. If you see purchasing as a "necessary evil overhead cost," your goal may be to minimize its cost rather than to improve the service and become a more effective strategic contributor. When purchasing is viewed as a strategic contributor it will not be seen as a "necessary evil overhead cost" to be minimized. Campus organizations judged to make significant strategic contributions to the success of the institution are by definition not "a necessary evil overhead cost." They are a place to invest in the future success of the organization.

The real challenge may be convincing ourselves and our bosses that the focus should be on the strategic contributions made by purchasing, not on a forced number.
Commentary, October 2006

For What Its Worth—Thoughts on 9/11/01

By Stephen Mack, C.P.M., Director, Procurement & Contracting Services, University of Arizona

Timing is everything... I was just sitting down to write my column for this month’s P-Link, thinking about this and that, trying to come up with a topic that would encourage thought, dialogue, and yes, even controversy, when I opened the email from Jim Markel expressing his thoughts and reflections on this critical day that forever altered our nation’s history. Jim’s words inspired me, and I hope that he can find additional venues for sharing his thoughtful reflections so that others may also benefit from his insights.

In his summary, Jim imparted this sage advice referring to 9/11, “So, on a day of remembrance and reflection, let us honor the past by looking to the future. We cannot change history, but we can allow history to teach us. The greatest tribute we can erect is to speak more kindly, judge less often, bring more passion to our daily tasks, invest less time in things and more time in people and value the miracle of each new day. Today... share a joke with a colleague...go to lunch with your office mates...get take-out on the way home and spend that saved time with your family...bow your head and thank your deity of choice for your family, your freedom and your life. Your greatest expression of thanks is a life, well-lived!”

Thanks, Jim, for so eloquently communicating how we can use our life’s experiences, both positive and negative, to move forward and make a difference.

For those of us in higher education, September is a time of renewal as we welcome new and former students. We have spent a busy summer trying to make a difference by working with our facilities managers to prepare our buildings and grounds for another year. We have worked with our Information Technology folks to ensure that the technical infrastructure is in place to address the ever-growing technical requirements of our students. Everything is now ready and we celebrate the arrival of our most important resource...our students.

It is now incumbent upon each of us to nurture our students and institutions by drawing upon the experience of years past, combining that with a vision of where we want to be, and making preparations to advance toward that goal. Our students are moving at ever-increasing speeds in their utilization of technology and they are demanding that our campuses respond to those needs. Are we using our energies by simply reacting to the next important initiative that addresses these challenges, or are we cooperatively working to develop solutions to problems before they arise? How do we see the future and prepare our sourcing operations to address it?
There are many avenues open to us, but one important path that is right in front of us is the NAEP regional meeting. These meetings provide a fertile ground to network with our peers, some of the brightest professionals in our business, who are all facing similar challenges. At these meetings, which are being held in our own backyards, we can bounce ideas off one another and harvest a bounty of innovative solutions that we can implement in our own institutions. Don’t let this opportunity pass; I encourage each of you to invest in the future by attending your regional meeting.

For What It’s Worth, let’s not forget the lessons of 9/11 and other crucial events in our history. The experience of 9/11 was tragic and sobering, but the heroes that emerged and the spirit of cooperation that was ignited were also tremendously inspiring. Five years later, looking at our past can only help us create a brighter future if we use this experience to find a way to make a difference now and in the future. In the words of Mahatma Ghandi, “The future depends on what we do in the present.” To this end, I wish each of you a productive and groundbreaking new school year.
Commentary, October 2006

Agreement To Agree

By Lloyd Rain, Purchasing Link Contributing Editor

Introduction

We regularly enter into various forms of interim, preliminary or partial agreements. Sometimes they are used to explore contractual options. Other times they operate as temporary binding agreements until a more detailed agreement is reached. Often they serve as a “platform” or a “springboard” for other agreements.

These interim agreements carry a variety of titles—Letters Of Intent, Memoranda of Understanding, Agreements In Principle, and Offers To Lease.

All these accords to enter into further agreement are called Agreements To Agree. Generally they’re not legally binding but their legality depends on the intent of the parties, sometimes as ultimately determined by a court.

One of the most common Agreements To Agree in our profession is a Notice Of Intent To Award—a letter typically sent to a winning contractor telling it that the issuing agency intends to award a contract to it and instructing it to obtain the required bonding, to submit insurance certificates and to sign contracts. These letters are rarely binding although they have been challenged on rare occasions when a contractor prepares to enter a contract on the basis of such a letter and then finds that the agency has declined to sign the contract. The plaintiff hopes to recover anything from mobilization costs to lost profits. Almost invariably, these challenges fail.

The most common Agreements To Agree in the purchasing domain are Requirements Contracts, or, as the feds call them, Indefinite Quantity contracts. These are invariably binding contracts because there is sufficient certainty in both words and deeds to indicate that both sides have accepted the agreement.

Sometimes interim agreements address the issue of enforceability in indirect ways. For example, an interim agreement may provide that the agreement is “subject to formal agreement.” Typically, these are contracts in which people are on call for sporadic work or in which orders for goods are made with all terms of the contract eminently clear except the work schedule or the quantities of product to be delivered—everything is clarified except the “drawdown,” so to speak.

In the case of commodities, after the Agreement To Agree has been executed, all that is
required to "make the contract whole" is the final order(s) actioning the contract. These can come in the form of telephone calls, purchase orders, or, most commonly, a CRO (Contract Release Order). In the end, the summation of CROs during the life of the contract defines the total value of the contract (although its total value is usually limited by a “not to exceed” clause within the text of the Agreement to Agree).

Here is an extract from an Agreement To Agree for the services of an interpreter used by the Oregon Department of Justice for courtroom services:

“Work shall be assigned under Work Order Contracts according to the process described below. On various occasions during the contract term, Contractor will be assigned a particular adjudicatory proceeding based on the specific language need and on the category under which Contractor was awarded the Agreement (i.e., Certified Interpreter, Qualified Interpreter, or Conversational Interpreter). The work will be described in a Work Order Contract. There is no guarantee that any specific level of work or overall dollar amounts will be assigned to any Contractor nor is there any guarantee that a hearing officer in an adjudicatory proceeding will use the Contractor as an Interpreter if services are not required.”

In all these endeavors, parties should be clear in their own minds whether they intend the interim agreements to be binding or not. If they intend an agreement to be binding, they must ensure that there is sufficient certainty of terms and that there is no language in the interim agreement suggesting that the contract is subject to further agreement. Especially in the cases of Requirements Contracts, which are invariably intended to be binding, the contract must contain a term defining the extent to which it is binding upon both parties so that neither party can claim, at a later date, that the agreement simply represented a Letter Of Intent.

**Richie Versus Lyndon**

In Richie Company versus Lyndon Insurance Group, the Court was called upon to decide if a document was a binding obligation or merely an unbinding Agreement To Agree. The case dealt with an interpretation of Minnesota law.

Richie proposed, on April 16, 1999, in a writing called “Letter Of Agreement” that was signed by all parties, that the defendant, Lyndon, would enter into a “Service Contract Agreement” similar but not identical to a prior agreement, within 180 days—but Lyndon never did so.

Richie sued, claiming that Lyndon breached the April 16, 1999 agreement by failing to enter into the Service Contract Agreement. Lyndon’s defense was that the April 16, 1999 “agreement” was not really an agreement at all, but a non-binding Agreement To Agree. Lyndon also stated that Richie never presented any Service Contract Agreement, did not attempt to negotiate such an agreement, and that the parties never did act on the terms of any purported Service Contract Agreement.

The Court held that the April 16, 1999 “agreement” was not an agreement at all but a non-binding Letter Of Intent, simply an Agreement To Agree. The Court’s statement is instructive:

“A letter creating an agreement to negotiate in good faith in the future is not enforceable where the parties have contemplated that the agreement is not the complete and final agreement governing the transaction at issue. ... But where substantial and necessary terms are left open for future negotiation, the purported contract is void. ... The language
in the April 16, 1999 letter ... was not the complete and final agreement the parties contemplated would govern, but it merely created an agreement to negotiate in good faith. Such language clearly manifests an intention to do something essential at a later date...thus the document is not a binding contract but merely an unenforceable Agreement To Agree, a non-binding Letter Of Intent.”

**California’s Reluctance**

California courts routinely refuse to hold someone liable simply for failing to negotiate in good faith, usually based on the principle that courts do not enforce Agreements To Agree.

Earlier this year, a California court of appeal broke new ground in this area. In Copeland v. Baskin Robbins USA, the court of appeal in Los Angeles recognized, apparently for the first time in California, a "contract to negotiate an agreement." According to the court, this contract comes into existence when the parties have taken actions reflecting their mutual intent to negotiate the underlying agreement. Presumably, however, less formal documents or oral statements reflecting the parties' commitment to negotiate also will support the formation of a "contract to negotiate." Once the parties have entered into this contract, they are legally bound to continue negotiating in good faith. The failure to do so constitutes a breach of that contract!

**Copeland versus Baskin Robbins**

Copeland approached Baskin Robbins about acquiring an ice cream manufacturing plant in the City of Vernon after Baskin Robbins announced its intention to close the plant. Copeland made it clear from the outset that his willingness to purchase the plant was contingent on Baskin Robbins agreeing to purchase the ice cream it manufactured there. An agreement took shape under which Copeland would purchase the plant, and Baskin Robbins would purchase seven million gallons of ice cream from Copeland over a three-year period. Baskin Robbins sent Copeland a letter detailing these general terms and asked Copeland to sign a statement at the bottom of the letter agreeing that "the above terms are acceptable" and to send Baskin Robbins a $3,000 deposit. After Copeland signed the letter and sent the deposit, the parties continued negotiating over the terms of the purchase agreement.

Two months later, Baskin Robbins broke off negotiations and returned Copeland's deposit explaining that its parent company had declined to enter into the purchase arrangement. Copeland sued Baskin Robbins for breach of contract. The trial court awarded judgment to Baskin Robbins because "the terms of the purchase deal were never agreed to," and therefore no agreement ever came into existence. Copeland appealed the decision.

The court of appeal first acknowledged that the parties had never finalized the purchase agreement, so the purchase deal could not be treated as an enforceable contract. While most courts would have stopped there, this court examined whether Baskin Robbins had breached a different contract, specifically, a contract to negotiate an agreement in good faith.

On this issue the court held that "a cause of action will lie for breach of a contract to negotiate the terms of an agreement." The court noted that "in most cases the question whether the defendant negotiated in good faith will be a question of fact for the jury." i.e., will have to go to trial for jury adjudication.

Additionally, the court held that the damages recoverable for breach of a "contract to negotiate" are limited to those expenses and losses incurred in reliance on the contract. According to the court, such damages consist of the plaintiff's out-of-pocket costs in
conducting the negotiations "and may or may not include lost opportunity costs."
Recognizing that a "contract to negotiate" differs from the ultimate agreement the parties
presumably would have reached had both sides continued to negotiate in good faith, the
court noted that "the plaintiff cannot recover for lost expectations (profits) because there is
no way of knowing what the ultimate terms of the agreement would have been or even if
there would have been an ultimate agreement."

Bottom line, Baskin Robbins was held liable for its commitment in an Agreement To Agree
to negotiate a final agreement in good faith—to the extent that a jury trial would be
required to ascertain whether or not it had actually breached its agreement.

**Conclusion**

Regardless of how the law evolves, keep in mind that the best way to protect your agency
against an unexpected result is to set down your intent in an unambiguous written
statement signed by the other side—and then to continue acting in a manner consistent
with that intent.

In order to be a valid, enforceable agreement, a document must contain certain essential
legal provisions and must not leave any promise to be determined in the future. If these
essential elements are not present, then the document is not binding and is often referred
to by courts as an Agreement To Agree or a Letter Of Intent, both of which are rarely
enforceable as contracts.

Agreements To Agree are one of the many contractual oddities that continue to evolve with
each new challenge. Certainly Agreements To Agree should be approached with an
abundance of caution, especially with scrutiny of every contract term, and a statement by
each party declaring his or her desire to be bound by the agreement. This may require
more negotiation that either party had originally foreseen.

Extended negotiation is a far superior solution than actioning an incomplete contract. Any
term or promise left to chance will be subject to negotiation or litigation in the future. I
have been at both the negotiation table and the litigation table—the former is significantly
less expensive than the latter.

**End**

Lloyd Rain retired as Purchasing Director of Lane Community College in October 2003 and is
now the principal of Lloyd Rain Associates, a firm that provides solicitations for public
agencies ([www.rainassoc.com](http://www.rainassoc.com)).
October 2006

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Note from Editor: Letters, articles, or announcements for publication in the NAEP Bulletin are due on the 5th day of the month preceding publication. E-Mail to nmarkee@naepnet.org

New job postings daily—check the listings and expand your opportunities.

It's easy to do and you can reach all the right people with just a few clicks of your mouse. The job posting service is available only to current members of NAEP. Click here to view current job
If you are not currently a member of NAEP and would like to join, please contact us at 443-543-5540 for details or go to online application. Click here post a job online.

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**Important: NAEP National Listserv Email Address Change as of Sept. 13, 2006: Naep@Lists.Naepnet.Org**

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**From the President**

**NAEP Fall Meetings**
**William R. Hardiman, C.P.M., NAEP President, 2006-2007**

By the time you read this, the NAEP Fall Meetings will be well underway; in fact, one region will have completed its meeting and three others will be having their meetings with three more just getting ready to go. This is an extremely busy time for NAEP members.

- It is a time for new professional, community, and collaborative opportunities for the well seasoned and the not-so-well-seasoned procurement professionals.
- It is a time to renew old and begin new friendships.
- It is time to help mentor someone who is new to our profession.
- It is a time to share your knowledge and the opportunity to learn from others who are willing to share their knowledge.
- It is a time for new beginnings that in many cases will last a lifetime.
- It is a time to learn about new and existing contracts available from E & I Cooperative.
- It is time for Districts II and V to start the nominating process for District Board Members for 2007.

The Fall Meeting is a great opportunity to introduce new procurement professionals to NAEP and E&I Cooperative—to participate in professional development opportunities and gain access to networking opportunities hard to find anywhere else. I encourage you to take at least one first time attendee to this year’s fall meeting.

Not only will attendees gain a better understanding about procurement in today’s changing world, they will gain continuing education points toward gaining their professional certification.
Proposal Deadline October 2 for
2007 NAEP Annual Meeting & Exposition
March 25–28 in San Jose, California

Meeting Theme: Ambient Leadership

Like ambient light, Ambient Leadership can appear to come from anywhere. Our own profession, Procurement, is the one function that crosses all constituencies on campus. As such, it is uniquely positioned to contribute in a leadership capacity with expertise and value.

Most attendees will be purchasing professionals from two- and four-year institutions, representing public, private, research, and healthcare areas. Also attending will be K-12 school district representatives and registrants from other disciplines such as facilities, food services, auxiliary services, HR, telecommunications, and information technologies.

All conference sessions are 60 or 75 minutes in length. Mini-Institutes are 2 hours 45 minutes in length.

For submission guidelines and application: click here.

The 2007 NAEP Annual Meeting will have 4 main tracks. Within each track are specific topic areas in which our membership has expressed interest.

1. Administration / Management / Leadership
2. Procurement
3. Commodity-Specific
4. Business Diversity


October 6 Deadline to Nominate Candidates for NAEP 2nd Vice-President

In February 2007, elections will be held for NAEP 2nd Vice-President. As in the past two years, voting will be conducted online via the NAEP Website Electronic Ballot. Deadline for nominations is October 6, 2006. Email nominations to: John Klopp, University of Iowa, john-klopp@uiowa.edu.

RESPONSIBILITIES of the 2nd Vice-President
- Serve as Voting Board Member
- Serve as Member of the Awards Committee
- Attend ASAE CEO Symposium
- Represent NAEP at two (2) NAEP Regional Meetings
- Serve as Secretary to the Board
- Conduct Regional Officers Workshop at Annual Meeting
- TERM OF OFFICE

The term of office for 2nd Vice-President is five years. After serving the first year, the 2nd Vice-President rotates through the offices of 1st Vice-President, Senior Vice-President, President, and finally, Immediate Past-President. The board member will serve in the office to which elected each year, the period of service running from the end of the Annual Meeting following the election, to the end of the subsequent Annual Meeting.

Nominations may be emailed to Nomination Chair John Klopp or to any Member of the Nominating Committee, as listed below.

- Chair: John Klopp: john-klopp@uiowa.edu
- Bill Hardiman, George Mason University - whardima@gmu.edu
- Lorelei Meeker – Indiana University - lmeeker@indiana.edu
- Nancy Brooks – Iowa State University - nsbrook@iastate.edu
- John Riley – Arizona State University - john.riley@asu.edu
- Tom Hoffmeyer – Baylor University - tom_hoffmeyer@baylor.edu
- Tom Kaloupek – Virginia Polytechnic Institute and State University - kals@vt.edu
- Starlene Jackson – Central Carolina Community College - sjackson@cccc.edu
- Sue Burge – Ohio State University - burge.3@osu.edu
- Carol Barnhill – Arkansas State University - CBARNHIL@astate.edu
- Carla Helm – University of Washington - chelm@u.washington.edu
- Burr Millsap – University of Oklahoma - bmillsap@ou.edu

DISTRICT BOARD MEMBERS
Two new District Board Members will be elected in February 2006 but each District Nominating Committee, which is comprised of all Regional Presidents within each district, handles these nominations separately. Ballots for District Member voting are restricted to members of each district.

NAEP Annual Recognition Awards: Nomination Deadline November 30

Think about your colleagues who have been the most help to you and to others by sharing their time and expertise to support NAEP. Here’s an opportunity to show our appreciation. Self-nomination is also encouraged. See guidelines and application form: click here

NAEP offers three Annual Recognition Awards, for which nominations are open through November 30, 2006. Winners will be announced at the 2007 Annual Meeting in San Jose, California.

Bert C Ahrens Achievement Award

To recognize a former or present member who has made outstanding contributions to NAEP over an extended period of time. This award is the highest form of recognition offered by this Association.
Neil D. Markee Communicator of the Year Award

To recognize a member who made the most outstanding contribution to the profession during the year through the written or spoken word.

Distinguished Service-Award

To recognize individuals who have provided extraordinary service to their institutions, the higher education community, the Association, or the purchasing profession.

ELIGIBILITY

A Nominee must be, or have been, an active employee of a current member institution of the National Association of Educational Procurement and not a current member of the Association's Board of Directors or Awards Committee.

Nancy Tregoe Scholarship: Nomination Deadline January 31, 2007

NAEP and E&I created this scholarship in honor of the late Nancy Tregoe. Nancy was a tireless advocate for small-school issues and served as a wonderful mentor. This scholarship was created to encourage others to become active in NAEP. Applications will be accepted for the $1,000 scholarship toward an NAEP professional development activity. Click here for additional information about the Nancy Tregoe Scholarship.

David H. Lord E&I Cooperative Purchasing Award

E&I established an award named for David Lord. This award was created to acknowledge and recognize a member who has made exceptional contributions to E&I over a comprehensive period of time through volunteerism in the area of Cooperative Purchasing as exemplified by David Lord.

David Lord’s many years of dedicated service on the Board of Directors have left an indelible mark upon the Cooperative’s history. Throughout his time as Board of Directors President, David consistently demonstrated outstanding leadership in meeting the diverse needs of our membership. David recently retired as the Business Manager at Colorado College.

Click here for details and application form.
Guy DeStefano Receives David H. Lord Cooperative Purchasing Award

Guy DeStefano, who served as the Director of Purchasing at Indiana University for 19 years, is the first recipient of the prestigious David H. Lord Cooperative Purchasing Award, which he received at this year's NAEP Annual Meeting in Baltimore. In presenting the award, David Lord noted that DeStefano has always been on the forefront of creativity and innovation, especially in the area of technology. "Several years ago when the Cooperative was beginning an e-commerce initiative, Guy made countless trips around the country in an effort to help E&I develop an e-commerce solution", said Lord. "His knowledge, insight and commitment are unmatched."

Sustainability News: Ithaca College Switches to 100% Post-Consumer Recycled Letterhead

Ithaca College in upstate New York recently announced that, beginning in early fall 2006 all college letterhead will be printed on 100% post-consumer recycled paper. Replacing the current college seal watermark, their new letterhead paper will feature two watermarks: the Ithaca logo and the recycling symbol (chasing arrows) with the words "100% Post Consumer underneath. The paper supplier was chosen based on its commitment to sustainability. The paper, which is equal in performance and appearance to the current letterhead stock, will cost the same as the previous letterhead previously used.

Calendar of Events

NAEP Procurement Academy Tier 1 Foundation
(co-located with the TOAL Regional Meeting)
Renaissance Tulsa Hotel
Tulsa, Oklahoma
September 27-29, 2006
Rate: $79/night plus tax
Rate cut-off: September 1, 2006
Use group name NAEP and group code EDBEDBA to receive discount.

**NAEP Procurement Academy Tier 2 Professional**
(co-located with the DISTRICT VI Regional Meeting)
Renaissance Montura
Los Angeles, California
October 4 - 6, 2006
Rate: $111/night plus tax
Rate cut-off: September 1, 2006
Use group name NAEP to receive discount.

**NAEP Procurement Academy Tier 3 Senior Professional**
Hotel Monteleone
New Orleans, Louisiana, Louisiana
February 4 - 7, 2007
Rate: $149/night plus tax

**86th NAEP Annual Meeting & Exposition**
March 25-28, 2007

Headquarter Hotel
**San Jose Marriott**
301 South Market Street
San Jose, CA 95113
Phone 408.280.1300
Fax 408.278.4444
Room Rate $144

**Hilton San Jose & Towers**
300 Almaden Boulevard
San Jose, CA 95110
Phone 408.287.2100
Fax 408.947.4488
Room Rate $129

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**One Day Fee: Day Attending**
- Monday, March 26th, 2007  
  $250.00
- Tuesday, March 27th, 2007  
  $250.00
- Wednesday, March 28th, 2007 
  $250.00

*Early registration on or before 1/25/2007

**NAEP Fall Regional Meetings**

Please see details for your own region at: [click here](#)
Keynotes at 86th NAEP Annual Meeting & Exposition  
March 25-28, 2007, San Jose California  
“Ambient Leadership”

Your hardworking Program Committee, chaired by Lorelei Meeker, C.P.M. (Indiana University Purchasing) is preparing a unique program for attendees at our 86th Annual Meeting. Here are the exciting Keynote Speakers you will hear at this largest gathering of purchasing professionals in the country.

Opening General Session
Susan L. Taylor is editorial director of Essence magazine. She has been the driving force behind one of the most celebrated African American owned business success stories of the past three decades. Click here to read more of Susan Taylor’s biography.

Buffet Breakfast
Marty Latz, founder of Latz Negotiation Institute, is a nationally acclaimed expert on negotiation strategy and tactics. Thousands of business professionals and lawyers nationwide have given his training programs and seminars the highest praise. Click here to read more of Marty Latz’s biography.

Closing General Session
Stan Slap is the president of the international consulting company called, by a remarkable coincidence, slap. His company’s solutions are highest rated in many of the world’s most demanding organizations. Click here to read more of Stan Slap’s biography.

Buying for Higher Education Week: October 23 – 27, 2006  
Let Your Light Shine

In last month’s Bulletin we published a list of action items for promoting your department on your campus.  (To see this, go to www.naepnet.org homepage and click on Purchasing Link September 2006)

Let your campus customers know who you are, where to find you, and how you can help them. We urge you to participate in this promotion by making a special effort, during the week of October 23-27, to help your colleagues in other departments understand and appreciate what the purchasing function does in support of your institution’s educational mission. Buying for Higher Education Week focuses attention on the contributions that purchasing professionals make to the nation’s colleges, universities, private schools, and hospitals.
Top 10 Ways to Beat the Email Blues

Some consider email a Pandora’s box, unleashing a host of plagues on humankind. Others think it’s the best thing since sliced bread, wonderful for information, entertainment and connection. It’s probably more like the Sorcerer’s Apprentice—a great tool if you use it, a disaster if you let it use you. Here are some tips for managing your email overload.

1. **Use your EQ.**
   Emotions give us information. They’re good for telling us what we want, but not good for getting us what we want. Too highly emotional and we can’t think right. Avoid panicking, overwhelm, impatience, and frustration. Delete the junk immediately and routinely. Then breathe. It’s the latest catchword, and there’s a lot more to EQ than that, but it’s a start.

2. **Assume your email at work is NOT PRIVATE.**
   More companies all the time monitor (and count keystrokes!) and they don’t have to inform you. Give the address to family and friends for emergency use only. Even your best friend can ‘forget’ and send an email you wouldn’t want your boss to read.

3. **Respond to emails, don’t react.**
   If a colleague or other person pops you a nasty email, don’t react. Wait until you can respond. Get up, take a break, calm down and think. If angered, give it 24 hours. You can’t erase what’s written and sent.

4. **Don’t email when you should be calling or seeing the person.**
   If you don’t know the difference, work with a coach because it’s crucial. The most important things should not be handled via email.

5. **Organize.**
   DO set up folders and move things into them right away.
   DELETE! Routinely and ruthlessly.
   DON’T check email first thing. It puts chaos in your schedule.
   DON’T chase rabbits. Look them all over and make intelligent decisions.

6. **Turn off the dinger, and schedule your email time.**
   Many just check in once a day. If you have an office where work is routinely assigned via email, you can’t do that, but you can train others by allowing a little lag time. If you’re too fast, the emails will just come faster.

7. **Don’t send “high priority” emails unless you mean it.**
   It will become meaningless and you’ll be ignored just when you need it the most.

8. **Don’t regress.**
   It’s easy to slip into popping off “do this” notes to employees, but it creates something you don’t want. In the best offices I know, they continue to use “Dear”, to begin with, “How’s your day going?” before the list begins, to end with “Hope you have a good weekend,” and to reply to someone who reports a job done with “Thank you, I appreciate that,” or “You’re a pleasure to work with,” and they say “You’re welcome.” These are high EQ organizations. They attract the best people, hang on to them, insist on a high EQ culture, and reap the benefits at all levels.
I know one spectacular boss who occasionally emails an employee to tell them how much he appreciates what they’ve done, or how glad he is they work for him. Could that be you?

9. **Observe email etiquette, adapting to the culture you work in.** 
Some businesses expect grammatically correct emails that are bulleted and succinct. Others enjoy the social aspects of email more. Fit in, but do go easy on the LOLs and jargon. In doubt? Rely on the basics: good subject line, organize content, summarize, use spellcheck, use “Dear” and “Sincerely” and leave out the emotions. In other words, business English and courtesy.

10. **Do not allow your relationships with colleagues to devolve into email-only.**
Work revolves around relationships, which can’t be sustained via email. Make sure you go to their office, send handwritten notes, pick up the phone, make lunch dates, and visit around at all levels. Email is not a substitute for human contact, and networking within your organization will help you succeed.

Copyr.2003 by Susan Dunn, sdunn@susandunn.cc; and Coach University

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**Quote of the Month**

“I am always doing that which I cannot do, in order that I may learn how to do it.”

—Pablo Picasso