Methods of Procurement
Statutory Methods of Procurement

SC Consolidated Procurement Code – Governing law for expenditures

- Small Purchases
- Competitive Sealed Bids
- Competitive Sealed Proposals
- Competitive Best Value Bids
- Fixed Price Bids
- Sole Sources
- Emergencies
- Competitive Online Bids
- Participation in Auction or Bankruptcy Sale
- Exemptions (type of fund or transaction)
What does that mean?
Small Purchases

$0 - $4,999.99
- P Card, higher education

$0 - $10,000
- Higher Education, fair and reasonable price

$10,000 - $50,000
- Formal Procedures required
- Handled through Purchasing
- Advertise in State Publication (8 days min)
- Preparation of formal document
- Justify brand name if required
Purchases over $50,000

- Buyer must determine the proper method of procurement
- Requires more documentation and possibly, additional procedures
- Allows vendors who participate in the process the right to “grieve” any actions taken
- Can be a lengthy process so submit request as soon as possible
Competitive Sealed Bid

- Invitation for Bids (IFB)
- Defined set of mandatory requirements/specifications
- Advertised in formal document (look at our web page for examples)
- Award to lowest price that meets these advertised requirements
- Things that can affect timeline: Amendments, Protests
Fixed Price Bids

- Use when multiple contractors are required
- Advertised in formal document (look at our web page for examples)
- List qualifications, some specifications
- Set maximum price we will pay, or minimum % off of some baseline
- All who meet qualifications and maximum or minimum requirements put on list
- Department can use any of the contractors on list
Competitive Best Value Bids

- Defined set of mandatory requirements/specifications
- Advertised in formal document (look at our web page for examples)
- Has award criteria with scoring of responses
- Contract awarded to highest ranked respondent (offeror)
- REQUIRES A PANEL TO REVIEW AND SCORE
- Things that can affect timeline: Amendments, Protests, scheduling
Competitive Sealed Proposal

- Request for Proposals (RFP)
- Usually start with a business problem, ask for creative solution
- Advertised in formal document (look at our web page for examples)
- Has award criteria with scoring of responses
- Contract awarded to highest ranked respondent (offeror)
- REQUIRES A PANEL TO REVIEW AND SCORE
- Things that can affect timeline: Amendments, Protests, scheduling issues
Sole Source

- Sole source is not permissible **unless** there is only a single supplier.
- The following are examples of circumstances which could necessitate sole source procurement:
  - Compatibility of equipment, accessories, or replacement parts is the paramount consideration;
  - One of a kind
Sole Source

- Requires justification letter/memo from department
  - CANNOT be from the vendor

- Who is the sole supplier?
  - Can it be obtained from another source/distributor?

- Why is this good/service required?
  - What is unique about it?

- Why is no other good/service suitable or acceptable to meet the need?
THE LAW SAYS WHEN IN DOUBT, COMPETITION SHOULD BE SOLICITED!!!
Emergencies

➢ Allowed only when an emergency condition exists that creates an immediate threat to:
  • Public Health/Welfare
  • Critical economy and efficiency
  • Safety
  • Ex: Flood, lab fire, equipment failure or other such

➢ Need that cannot be met through normal procurement methods and lack of which would seriously threaten:
  • The functioning of State government
  • The preservation or protection of property
  • The health or safety of any person
Got it???