

# PURCHASING MONTH UPDATE

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March 29, 2022

UofSC

# AGENDA

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WELCOME

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PURCHASING CARD

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UNIVERSITY CONTRACTS

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AMAZON BUSINESS

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STATE CONTRACTS

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SOLE SOURCES

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SMALL AND MINORITY BUSINESS OUTREACH

# P-CARD

## ALLOWABLE/NON-ALLOWABLE CHARGES

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ALLOWABLE	NON-ALLOWABLE
Office supplies expenses during travel	Employee travel expenses to include lodging and transportation, student travel
Local conference/registration fees (that do not involve travel or food), virtual conferences, webinars	Conference registration fees involving travel
Express deliveries/shipping	Postage (stamps)
Membership dues in compliance with University policy	Entertainment, business meals
Books for instruction	Breakroom supplies – microwaves, refrigerators, utensils, food containers. Employee functions
Utilities	Holiday, birthday or sympathy cards, stationary

# P-Card

## General Policies and Procedures

**Re-defines approvers responsible for assuring accuracy of credit card charges:**

- **Cardholder - Ensures the total transaction amount of any single transaction does not exceed \$4,999.99 inclusive of shipping/handling, taxes and any other applicable fees**
- **Liaison - Verifies no non-allowable transactions no prohibited transactions, no split transactions, purchases are made from contract vendors when available, no deliveries other than the business address unless department head has authorized, etc.**

# P-Card Eligibility

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- Employee must complete a pre-requisite exam and attend a training session before he/she may be issued a Purchasing Card.

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- Each individual cardholder must now sign a cardholder agreement after training and return to the purchasing card administrator.



# Cardholder Termination / Legal Issues

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***Added language to address: Failure to Comply with Laws, Policies and Procedures.***

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**Cardholders or supervisors/approving officials who knowingly, or through willful neglect, fail to comply may be subject to suspension or termination of card privileges or other disciplinary action, up to and including termination of employment and criminal prosecution to the fullest extent of the law.**

# P-Card

## Setup, Maintenance, and Closure

- **Applicants are contacted to complete the pre-requisite exam on Blackboard and schedules p-card training prior to issuance of the card.**
- **Purchasing Card activity will be reviewed in January of each year. Any card with no activity for the previous 12-month period will be reviewed with the liaison prior to cancellation due to inactivity.**



# Purchasing Card Renewal

**As of July 1, 2021, Bank of America issues cards with a *5-year* expiration date for new cardholders.**



# UNIVERSITY CONTRACTS

## The Purchasing Department Business Partnership

- During the planning phase for purchases exceeding \$10K – create a requisition to start the process.
- We'll work with you to determine the method of procurement:
  - South Carolina Procurement Code
  - Your Requirements
  - Market Research



# UNIVERSITY CONTRACTS

- ✓ **Check to see if a State Contract can be used.**
  
- ✓ **Check to see if South Carolina Procurement Code Exemptions apply:**
  - **Grant Specified Procurement**
  - **Professional Dues**
  - **Books & Periodicals**
  
- ✓ **Determine if a Solicitation is necessary:**
  - **One-time purchase**
  - **Term contract**

# UNIVERSITY CONTRACTS

## Term Contracts

- **Contracts established by the chief procurement officer for specific supplies, services, or information technology for a specified time and for which it is mandatory that the governmental body procures their requirements during this term.**
- **Terms are typically from one to five years, up the contract maximum amount.**



# UNIVERSITY CONTRACTS

## Fixed Price Bid – Contracts

- **Competitively bid**
- **Providing multiple sources of supply for specific services, supplies or information technology.**
- **Based on a preset maximum price**

# UNIVERSITY CONTRACTS

## Fixed Price Bids

Charter Bus Services

GS-FPB-220089

Promotional Products

USC-FPB-3442-JB

Consulting Services Strategic Planning

USC-FPB-3639-AS

Consulting Services Program Management

USC-FPB-3641-SG



## **Amazon Business Statistics**

**March 3, 2020, through February 18, 2022**

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**Total orders placed: 8,504**

**Total unique products ordered: 10,063**

**Total quantity of items ordered: 27,551**

**Total dollars spent on shipped orders:**

**\$1,281,829.32**

**Total cost savings based on Amazon**

**Business pricing benefits: \$11,844.20**

## Top 10 most popular commodities:



<u>Commodity</u>	<u>Items Ordered</u>
Printed publications	2176
Hand tools	295
Computer cable	271
Computer accessories	257
Information Technology Broadcasting and Telecommunications	256
Batteries and cells and accessories	254
Sports and Recreational Equipment and Supplies and Accessories	244
Solid state drive SSD	197
Domestic appliances	190
Web cameras	172

# AMAZON BUSINESS

## - User Eligibility

- **University procurement cardholders only:**
  - **This program is not intended for all employees (e.g., temporary staff, graduate students, etc.).**
- **Only cardholders that have been properly approved and trained under the procurement card policies and procedures are eligible to be added to Amazon Business.**



# AMAZON BUSINESS

## - Purchase Restrictions

- All orders are limited to \$4,999.99 including sales tax. There is to be absolutely no splitting of orders to circumvent this limit.
- Orders that contain flagged items are subject to review and approval (or rejection) before the order can be processed. Include in the shopping cart comments a brief justification of why you need a flagged item or if you have confirmed it is unavailable from a state contract provider.
- You may order products that are not subject to the Personal Consumption Items policy (BUSA 7.05).
- You may order products that are not available on mandatory statewide contracts for supplies or information technology: [procurement.sc.gov/agency/contracts](http://procurement.sc.gov/agency/contracts)

# STATE CONTRACTS

**A statewide "term" contract is a contract for the indefinite delivery of an indefinite quantity of specific supplies or services to be furnished as needed and upon request during a fixed period.**

**Generally, any of the following entities can purchase through statewide contracts awarded by Procurement Services. Any special limitations will be addressed in the applicable contract.**

- **State government, including any department, commission, council, board, bureau, committee, institution, college, university, technical school, agency, government corporation, or other establishment of state government.**



# SOLE SOURCES

## *South Carolina Consolidated Procurement Code*

**SECTION 11-35-1560. Sole source procurement; public notice.**

**Sole Source Procurement is defined as a:**

**“A non-competitive method of procurement used when only one supplier possesses the unique ability or capability to meet the particular requirements of the entity or because only one supplier is practicably available.”**

# SOLE SOURCES

## *SC Procurement Regulation*

### **19-445.2105. Sole Source Procurements**

**Sole source procurement is not permissible unless there is only a single supplier. The following are examples of circumstances which could necessitate sole source procurement:**

- **where the compatibility of equipment, accessories, or replacement parts is the paramount consideration**
- **where a sole supplier's item is needed for trial use or testing**
- **where the item is one of a kind**

# SOLE SOURCES



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Notice must be posted in SCBO at least five (5) business days before entering a contract >\$50,000 but <\$250,000



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...at least ten (10) business days before entering a contract >\$250,000



# SOLE SOURCES

- 1. Description of the University's need that this procurement meets**
- 2. Description of market research the University performed to determine the availability of products or services that would meet the University's needs**
- 3. Description of supplies, construction, information technology, and/or services Vendor will provide under the contract and justification of the need**
- 4. Detailed explanation why no other vendor's supplies, construction, information technology and/or services will meet the needs of the University.**

# SOLE SOURCES

In summary, a sole source is where there is only one source of supply, services, information technology, or construction.

- **Written justification from the department is required.**
- **Examples:**
  - **Where the compatibility of equipment, accessories, or replacement parts is the paramount consideration;**
  - **Where a sole supplier's item is needed for trial use or testing**
  - **Where the item is one of a kind**
- **Notice must be posted in SCBO for 5 business days between \$50k and \$250K**
- **Notice in SCBO for 10 business days for potential value greater than \$250K**

# SMALL AND MINORITY BUSINESS OUTREACH

Program to effect a change in economic disparities that exist for small, woman-owned, and minority businesses

Outreach program started in 2009

- Called small and minority business initiative

Changed approach

- Engaged the small and minority owned business in the procurement process on the front end.



# SMALL AND MINORITY BUSINESS OUTREACH

## Initiative Approach

Called on entire business community for their participation:

- Met with business managers and other personnel in the departments.
- President Pastides announced his vision for a proactive policy of inclusion for small and minority businesses.
- Conducted forums (small business expo)
- Developed a directory of small and minority owned business
  - On Purchasing's website: [purchasing.sc.edu](http://purchasing.sc.edu)
- Developed a system that tracks our outreach efforts

# SMALL AND MINORITY BUSINESS OUTREACH

Submit department record of small and minority business solicitations via [Purchasing's website](#).



## Record of Business Solicitation

Complete this form for each external transaction. If you are not sure of your **Division and/or Responsibility** please contact your supervisor or the Purchasing Department by email at [smb@sc.edu](mailto:smb@sc.edu) or phone at (803)777-4115.

Division: *	<input type="text" value="Select One"/>
Operating Code: *	<input type="text" value="e.g. CL000"/>
Department Code: *	<input type="text" value="e.g. 165200"/>
Department Name: *	<input type="text"/>
Name: *	Buyer/Project Manager/Business Manager: First Name: <input type="text" value="James"/> Last Name: <input type="text" value="Stiles"/>
Services Requested: *	<input type="text" value="Select One"/>
Business Name: *	<input type="text" value="Select One"/>
Awarded: *	<input type="radio"/> Yes <input type="radio"/> No

# SMALL AND MINORITY BUSINESS OUTREACH

## Easy Ways to Use Small and Minority Businesses

- Procurements up to \$10,000 (Fair and Reasonable)
- 3 Quote Process up to \$25,000 (Bona Fide Quotes)
- For solicitations – submit names of small, woman-owned, and minority vendors

Giving opportunities to our small and minority businesses is a great way to spread the wealth as well as keep our dollars in our communities.





Email questions to:  

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[purchasing@sc.edu](mailto:purchasing@sc.edu)