TO: Vice Presidents, Assistant to the President, Assistant Vice Presidents, Directors, Project and Research Leaders

FROM: Wilbur Shuler, Vice President for Finance and Management

DATE: October 1, 2002

SUBJECT: PURCHASING – POLICIES AND PROCEDURES

Forward

These guidelines were developed for use by South Carolina State University for the acquisition of goods and services. The contents of these guidelines are based upon the State of South Carolina Consolidated Procurement Code.

Contracts and acquisition of goods or services, which are contrary to The Procurement Code and Purchasing Policies and Procedures may be declared void, unenforceable, and unacceptable. The head of any department and the public employee may be personally liable for any cost resulting from their actions if these guidelines are not followed.

The Office of Procurement has the legal responsibility to finalize all purchases on behalf of the University. Activities related to the procurement of supplies, equipment and contracted services, etc., necessary for the operation of the University has been delegated to The Office of Procurement.

The Purchasing Policies and Procedures of South Carolina State University attempts to meet the individual needs of departments. This can be done successfully only when the established guidelines of the Institutions and the laws of the State of South Carolina are followed.

The University Procurement Office will provide assistance to the departments in making practicable use of these guidelines.
INTRODUCTION

This manual is for general use of University personnel to comply with purchasing policies and procedures. It is not intended to inform the general University population of the technical and/or legal requirements of Purchasing in such technical processes as contracts, bidding procedures, etc. In some instances departments must furnish technical data to ensure that the department receives satisfactory materials to accomplish its intended purposes and mission(s). Accordingly, users of this manual have an obligation to check with Purchasing at all times to ensure that any information contained herein is current. Purchasing will initiate and distribute any changes in policies and procedures contained herein resulting from university, S.S. Consolidated Procurement Code, or legal changes without notice to departments.

These policies and procedures have been made as simple as possible and meet the requirements of State South Carolina laws, policies of the S.C. Consolidated Procurement Code and adopted University policies, good business practice, and special requirements adopted from time-to-time by various agencies from which the University secures funds for special programs. These procedures are meant to cover most cases involving procurement for South Carolina State University, and are generally consistent with those of similar State institutions of higher education.

The university considers its vendors to be valuable assets. It attempts to administer buying practices within established policy so that all suppliers are considered and dealt with ethically. The best ones will be awarded shares of the services rendered and ultimate, long-range benefit to the University as a whole.

All saving, including cash discounts, achieved by combining purchases, using buying power of the University as a whole, or in developing larger quantities per order by the cooperation of any department, as well as with other institutions under the governance of the Commission of Higher Education, will benefit the departmental or project budget which provides the funds for purchases. Standardization and simplification of products and procedures also may result in substantial and repetitive savings to the individual department budget.

The purchasing function as defined by statutes is intended to include the total supply and/or materials management concept involving such related activities as central receiving, inspection, inventory control, and disposal of surplus or unusable stocks of materials and equipment.
Purpose

To provide increase economy in the University activities and to maximize to the fullest extent practicable the purchasing values of funds while ensuring that procurements are the most advantageous to the University, the State, and in compliance with the provisions of the Ethics Government Accountability Act.

Procedure for Preparation of Requisitions

Contact the Office of Procurement Services before starting any requisition that may require bids, or a request for proposal.

THE OFFICE OF PROCUREMENT SERVICES HAS BEEN TASKED WITH THE RESPONSIBILITY OF PROCESSING ALL QUOTATIONS/BID SOLICITATIONS.

1. Determining the need for goods or services.

A requisition request for goods or services is a process to be utilized in acquiring products and contractual services.

A contract for contractual or professional services or for specialized products between the University and the contractor is an agreement containing the statement of work, goods, and services to be delivered, the timetable, and the responsibilities for the services to be provided.

A. Electronic requisitions (on-line) $1,500.00 or less including freight/shipping charges except Forms and Supply should be entered in the FRS system by using the Purchasing System Quick Reference Card after completion of the on-line training.(See Appendix A)

B. Approval when the requisition has been approved by the department head or authorized personnel the Purchasing Department will transfer the requisition to a purchase order. The purchase order is signed by the Director Procurement Services or his designee and mailed to the vendor.
2. Hard Copy Requisitions

A. **Departmental Requisitions** these requisitions are issued for charges or service rendered by departments within the University. (i.e., Bookstore, Food Service, Printing Service, IT Services, etc.)

B. **Office Supply Requisitions** (Forms and Supply) should be submitted on a paper requisition due to an unlimited purchasing dollar amount for items on state contract. When an open purchase order is established this purchase order can be amended at any time during the fiscal year if funds are available.

C. **Regular Requisitions** $1,500.01 and above should be submitted to the Office of Procurement Services along with detailed specifications or other information necessary to solicit quotations as outlined under small purchases less than $25,000.00.

D. **Approval-Requisitions** should be signed by the initiator/requestor, and approved by The Department Head, Dean and the Assistant to the President and/or applicable Vice President or their designee. Such approvals must be obtained prior to sending the requisitions to the Office of Procurement Services to avoid delay. Further, if the requisition is to be charged to a sponsored account, it must be cleared through the applicable research, and/or grants office. The department head in charge of the account(s) supporting the expenditure is responsible for the legitimacy of the expenditure.

E. **Direct Expenditure Requisitions** are designed for handling and authorizing nominal payments for contribution and dues, subscriptions renewals, membership fees, honorariums, scholarships, stipends, telephone and telegraph bills utilities, student earnings, US Post Office rentals, Postage freight and express bills, oil company credit card charges for gas, oil and jet fuel, and miscellaneous contractual services that would be impractical on a purchase order. However, a statement of indebtedness must accompany the requisition. **(Direct Expenditure requisitions are not to be used for payment of invoices for equipment, supply purchases, contractual services, personal services payment, or repairs).** The requisition should include a description of the charge, the appropriate invoices), and all approvals a normal requisition. These purchase actions must be strictly controlled and monitored to ensure compliance with applicable federal and state laws and regulations in all cases.

F. **Check With Requisitions** when determined and documented that it requires a prepayment the ordering department should request that a check be prepared to accompany, the purchase order. This process is done by completing the requisition form in the normal procedure and in a clearly visible place in the description area of the requisition type the phrase “check with order”. **Accompanying the requisition:**
   1. Documentation showing that pre-payment is required.
   2. Who check should be made payable to.
3. The amount of payment for item.
4. The remit to address.
5. Approval for payment signed by authorized individual.

G. **Change Order Requisitions** any alteration in specifications, delivery
Point, period of performance, price, quantity, or other provisions of any contract.
The Procurement Office is authorized to approve a price change of increase as long
as the increase does not exceed 10% of the total cost. (Does not apply to restricted
funds. All change orders on restricted funds will be communicated with the
responsible person). If the price increase is more than 10% of the total order, the
authorization of shipment will be made by the requestor to the Office of Procurement
Services by telephone or written confirmation. If the 10% increase causes the price
to exceed the small purchase amount then transaction is subject to the bid process.
Procurement is not authorized to make any other changes without written approval
from the requestor and Vice President. Any changes made that are not in accordance
with change order policy will be considered unauthorized, and must be approved by the
Vice President for Finance and Management, the President or his designee.

G. **Contract Requisitions** the responsibility and authority to sign rental maintenance
agreements, or other contract documents is delegated to the President, the Vice
President for Finance and Management, or his designee. **Unauthorized personnel
who sign contracts which commit the University may be assuming personal liability
for the commitment** (other contracts i.e. personnel services, lease/operating capital)
purchase order (contract) will be signed by the Director of Procurement Services or
his designee.

**Specifications**
The requisitioning department is responsible for furnishing specifications for the
supplies, equipment, or services requested on the requisition form (Please type on a plain
sheet of paper). The requisitioning department is also responsible for submitting a
suggested list of qualified vendors. In cases where term contracts have been established
by Materials Management Division of General Services, reference must be made to the
applicable State Contract number. After bids are opened, the requestor will be given the
opportunity to review the bids and sign statement of award letter prior to the issuing of
the purchase order. A purchase order will be issued to the Vendor, a copy of which will
also be sent to the requisitioning department for its files. Any inquiries concerning the
transaction must refer to the purchase order number.(See Appendix A)

A. **Budget Class Codes** separate requisitions are required for each expenditure
object code.

B. **Processing Time** for local purchases, departments should normally place orders at least ten (10) days in advance of the date on which the items are required. On out-of-town purchases, at least thirty (30) days advance notice is advisable to assure delivery on time. In requisitioning equipment and furniture at least two months delivery time should be anticipated.

The Office of Procurement is located in the Crawford-Zimmerman Service Complex and is open daily, Monday through Friday from 8:30am to 5:00pm. The online requisitions system and the Purchasing Card have been put in place to eliminate last minute processing of requisitions walk-in requisitions, etc.

**The State of South Carolina Purchasing Card Program**

As an Agency of the State of South Carolina, the University is participating in the program designed to help you better manage a low-dollar supply purchases and bring many benefits to you the University and our vendors.

The Purchasing Card is a Visa credit card issued by Bank of America. It is a fast, flexible new purchasing tool which offers an alternative to the existing University processes and provides an extremely effective method for purchasing and paying for supplies with a total of $1,500.00 or less, except for specified departments where various limits are assigned.

The Visa Purchasing Card will enable you to purchase non-restricted commodities by telephone or in person, directly from the vendors, however, funds must be available in your budget for payment.

The success of the Purchasing Card Program and its continuing use depends on your participation and cooperation. Cards are issued upon request by the department.

C. **Small Purchases**

   (1) **Authority.** The authority small purchase procedures may be utilized in conducting procurements for governmental bodies that are less than $25,000.00 in actual or potential value. Any agency may conduct its own procurement under $5,000.00 in actual or potential value, and any agency that has received procurement certification pursuant in [Section 11-35-1210](#) to handle the type and estimated value of the procurement may conduct the procurement under its own authority in accordance with the procedures prescribed herein; provided, however, that procurement requirements shall not be artificially divided by governmental bodies so as to constitute a small purchase under this section.
(2) **Competition and Price Reasonableness.**

(a) **Purchase Not in Excess of $1,500.00.** Small purchases not exceeding $1,500.00 may be accomplished without securing competitive quotations if the prices are considered to be reasonable. The purchasing office shall annotate the purchase requisition: ‘Price is fair and reasonable’ and sign. Such purchases shall be distributed equitably among qualified suppliers. When practical, a quotation will be solicited from other than the previous supplier prior to placing a repeat order. The administrative cost of verifying the reasonableness of the price of purchase not in excess of may more than offset potential savings in detecting instances of overpricing. Therefore, action to verify the reasonableness of the price need be taken only when the procurement officer of the governmental body suspects that the price may not be reasonable, e.g., comparison to previous price paid, personal knowledge of the item involved.

(b) **Purchases from $1,500.01 to $5,000.00.** Solicitations of verbal or written quotes from a minimum of three qualified sources of supply shall be made and documentation of the quotes attached to the purchase requisition. The award shall be made to the lowest responsive and responsible source.

(c) **Purchases from $5,000.01 to $10,000.00.** Solicitation of written quotes from a minimum of three qualified sources of supply shall be made and documentation of the quotes attached to the purchase requisition. The award shall to the lowest responsive and responsible sources.

(d) **Purchases from $10,000.01 to $25,000.00.** Written solicitation of written quotes, bids, or proposals shall be made. The procurement shall be advertised at least once in the South Carolina Business Opportunities publication or through a means of central electronic advertising as approved by the Office of General Services. A copy of the written solicitation and written quotes shall be attached to the purchase requisition. The award shall be made to the lowest responsive and responsible source or, when a request for proposal process is used, the highest ranking offeror.

1. **Protest Rights.** The provisions of Section 11-35-4210 shall not apply to contracts awarded under the procedures set forth in this section.

2. All competitive procurements above $25,000.00 must be advertised at least once in the “South Carolina Business Opportunities” publication or
through a means of central electronic advertising as approved by the Office of General Services. Governmental bodies may charge vendors the cost incurred for copying and mailing bid or proposal documents requested in response to a procurement advertised in the “South Carolina Business Opportunities” publication.

**Sole Source Procurements.**
A contract may be awarded for a supply, service, or construction item without competition when, under regulations promulgated by the board, the chief procurement officer, the head of purchasing agency, or a designee of either officer, above the level of the procurement officer, determines in writing that there is only one source for the required supply, service, or construction item. These regulations must include the requirements contained in this paragraph. Written documentation must include the determination and basis for the proposed sole source procurement (See Appendix A). Any delegation of authority by either the chief procurement officer or the head of a governmental body with respect to sole source determinations must be submitted in writing to the materials management officer. In cases of reasonable doubt, competition must be solicited. Any decision by a governmental body that a procurement by restricted to one potential vendor must be accompanied by an explanation as to why no other will be suitable or acceptable to meet the need. Any violation of these regulations by a purchasing agency shall, upon recommendation of the Office of General Services with approval of the majority of the Budget and Control Board, result in the temporary suspension not to exceed one year of the violating agency’s ability to procure supplies, services, or construction items under this section.

**Emergency Procurements.**
Notwithstanding any other provisions of this code, the chief procurement officer, the head of a purchasing agency, or a designee of either officer may make or authorize others to make emergency procurements only when there exists an immediate threat to public health, welfare, critical economy and efficiency, or safety under emergency conditions as defined in regulations promulgated by the board; and provided under the circumstances. A written documentation of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file (See Appendix A).

**Procurement at Auction**
A governmental body having knowledge of an auction may elect to participate. The governmental body shall (a) survey the needed items being offered at auction to ascertain their condition and usefulness, (b) determine a fair market value for new like items
through informal quotes, (c) determine the fair market value from similar items considering age and useful life, and (d) estimated repair cost and delivery cost, if any, of the desired items. Using this information, the governmental body shall determine the maximum price that it can pay for each item desired. At the auction, the governmental body shall not exceed the maximum price so determined.

**Competitive Sealed Bidding.**
(1) **Condition for Use.** Contracts amounting to twenty-five thousand dollars or more shall be awarded by competitive sealed bidding except as otherwise provided in Section 11-35-1510.
(2) **Invitations for Bids.** An invitation for bids shall be issued in an efficient and economical manner to include specifications and all contractual terms and conditions applicable to the procurement.
(3) **Notice.** Adequate notice of the invitation for bids shall be given at a reasonable time prior to the date set forth therein for the opening of bids. Such notice shall include publications in a newspaper of general circulation in the State such as “South Carolina Business Opportunities” or through a means of central electronic advertising as approved by the Office of General Services.
(4) **Receipt and Safeguarding of Bids.** All bids (including modifications) received prior to the time of opening shall be kept secure and unopened, except as provided for by regulation of the board.
(5) **Bid Opening.** Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids and in the manner prescribed by regulation of the board. The amount of each bid, and such other relevant information as may be specified by regulation, together with the name of each bidder, shall be tabulated. The tabulation shall be open to the public inspection at that time.
(6) **Bid Acceptance and Bid Evaluation.** Bids shall be accepted unconditionally without alteration or correction, except as otherwise authorized in this code. The invitation for bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that are not set forth in the invitation for bids. Bids shall be evaluated based on the requirements set forth in the invitation for bids and in accordance with the regulations of the board.
(7) **Correction or Withdrawal of Bids; Cancellation of Awards.** Correction or withdrawal of inadvertently erroneous bids before bid opening, withdrawal of inadvertently erroneous bids after award, or cancellation and re-award of awards or contracts, after award but prior to performance may be permitted in accordance with regulations promulgated by the board. After bid opening no changes in bid prices or other provisions of bids prejudicial to the interest of the State or fair competition shall be permitted. Except as otherwise provided by regulation, all decisions to permit the correction or withdrawal of bids, or to cancel awards, or contracts, after award but prior to performance shall be supported by a written determination of appropriateness.
made by the chief procurement officers or head of a purchasing agency.

(8) **Discussion with Bidders.** As provided in the invitation for bids, discussions may be conducted with apparent responsive bidders for the purpose of clarification to assure full understanding of the requirements of the invitation for bids. All bids, the procuring agency’s sole judgment, needing clarification shall be accorded such an opportunity.

(9) **Tie Bids.** If two or more bidders are tied in price while otherwise meeting all of the required conditions, awards are determined as follows:
   (a) If there is a South Carolina firm tied with an out-of-state firm, the award must be made automatically to the South Carolina firm.
   (b) Tie bids involving South Carolina produced or manufactured products, when known, and items produced or manufactured out of the State must be resolved in favor of the South Carolina commodity.
   (c) Tie bids involving South Carolina firms must be resolved in favor of the South Carolina firm located in the same taxing jurisdiction as the governmental body’s consuming location.
   (d) Tie bids involving South Carolina firms in the same taxing jurisdiction as the governmental body’s consuming location must be resolved by the flip of a coin in the office of the chief procurement officer or the head of a purchasing agency or either officer’s designee witnessed by all interested parties.
   (e) In all other situations where bids are tied, the award will be made by the purchasing agency to the tied bidder offering the quickest delivery time, or if the bidders have offered the same delivery time, the tie shall be resolved by the flip of a coin in the office of the chief procurement officer or the head of a purchasing agency or either officer’s designee witnessed by all interested parties.

(10) **Award.** Unless there is a compelling reason to reject bids as prescribed by regulation of the board, notice of an intended award of a contract to the lowest responsive bidders whose bid meets the requirements set forth in the invitation for bids shall be given by posting such notice at a location specified in the invitation for bids. Prior to the posting of the award, the procuring agency may negotiate with the lowest responsive and responsible bidder to lower his bid within the scope of the invitation for bids. The invitation for bids and the posted notice must contain a statement of a bidder’s right to protest under Section 11-35-4210(1) and the date and location of posting must be announced at bid opening. When a contract has a total or potential value in excess of fifty thousand dollars, in addition to the posted notice, notice of an intended award must be given to all bidders responding to the solicitation, except when only one response is received. Such notice must contain a statement of the bidder’s right to protest under Section 11-35-4210().

When a contract has a total or potential value in excess of fifty thousand dollars,
sixteen days after notice is given the agency may enter a contract with the bidder named in the notice in accordance with the provisions of this code and of the bid solicited. When only one response is received, the notice of intended award and the sixteen day delay of award may be waived. A determination of responsibility must be made before award in accordance with Section 11-35-1810.

(11) **Request for Qualifications.** Prior to soliciting bids, the procuring agency, acting through the authorized procurement officer, may issue a request for qualifications from prospective bidders. Such request shall contain at a minimum a description of the goods or services to be solicited by the invitation for bids, the general scope of the work, the deadline for submission of information, and how prospective bidders may apply for consideration. The request shall require information concerning the prospective bidders’ product specifications, qualifications, experience, and ability to perform the requirements of the contract. Adequate public notice of the request for qualifications shall be given in the manner provided in Section 11-35-1520(3). The use of the request for qualifications is subject to the approval of the Office of General Services.

After receipt of the responses to the request for qualifications from prospective bidders, the prospective bidders shall be ranked from most qualified to least qualified on the basis of the information provided. Bids shall then be solicited from at least the top two prospective bidders by means of an invitations for bids. The failure of a prospective bidder to be selected to receive the invitation for bids shall not be grounds to protest under Section 11-35-4210.

(12) **Provisions not to Apply.** The provisions of this section shall not apply to maintenance services for aircraft of the Division of Aeronautics of the Department of Commerce.

(13) **Minor Informalities and Irregularities in Bids.** A minor informality or irregularity is one which is merely a matter of form or is some immaterial variation from the exact requirements of the invitation for bids having no effect or merely a trivial or negligible effect on total bid price, quality, quantity, or delivery of the supplies or performance of the contract, and the correction or waiver of which would not be prejudicial to, bidders. The procurement officer shall either give the bidder an opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid or waive any such deficiency when it is to the advantage of the State. Such communication or determination shall be in writing. Examples of minor informalities or irregularities include, but are not limited to:

(a) failure of a bidder to return the number of copies of signed bids required by the solicitation;

(b) failure of a bidder to furnish the required information concerning the number of bidder’s employees or failure to make a representation concerning its size;

(c) failure of a bidder to sign its bid, but only if the firm submitting the bid as
formally adopted or authorized the execution of documents by typewritten, printed, or rubber stamped signature and submits evidence of such authorization, and the bid carries such a signature or the unsigned bid is accompanied by other material indicating the bidder’s intention to be bound by the unsigned document, such as the submission of a bid guarantee with the bid or a letter signed by a bidder with the bid referring to and identifying the bid itself;

(d) failure of a bidder to acknowledge receipt of an amendment to a solicitation, but only if

(i) the bid received indicates in some way that the bidder received the amendment, such as where the amendment added another item to the solicitation and the bidder submitted a bid, thereon, provided that the bidder states under oath that it received the amendment prior to bidding and that the bidder will stand by its bid price or,

(ii) the amendment has no effect on price or quantity or merely a trivial or negligible effect on quality, or delivery, and is not prejudicial to bidders, such as an amendment correcting a typographical mistake in the name of the governmental body;

(e) failure of a bidder to furnish an affidavit concerning affiliates;

(f) failure of a bidder to execute the certifications with respect to Equal Opportunity and Affirmative Action Programs;

(g) failure of a bidder to furnish cut sheets or product literature;

(h) failure of a bidder to furnish certificates of insurance;

(i) failure of a bidder to furnish financial statements;

(j) failure of a bidder to furnish references;

(k) failure of a bidder to furnish its bidder number; and

(l) notwithstanding Section 40-11-180, the failure of a bidder to indicate his contractor’s license number or other evidence of licensure, provided that no contract shall be awarded to the bidder unless and until the bidder is properly licensed under the laws of South Carolina.

Combines preferences for South Carolina resident vendors or South Carolina end products at 7% with a 10% maximum for vendors claiming both and re-establishes the U.S. products preference at 2% (a vendor claiming SC resident vendor and US made will get 9%).
Procurement Preference for South Carolina Vendors and Products

(A) A preference of seven percent must be provided to vendors who are residents of South Carolina or whose products are made, manufactured, or grown in South Carolina as set forth in this section.

(B) As used in this section, unless the context indicates otherwise, the terms below have the following meanings:

1. **Made:** To assemble, fabricate or process component parts into a finished end-product the value of which assembly, fabrication or processing is a significant portion of the value of the finished end-product.

2. **Manufacture:** To make or process raw materials into a finished end-product.

3. **Grown:** To produce, cultivate, raise or harvest, timber, agricultural produce, or livestock, on the land, or to cultivate, raise, catch, or harvest products or food from the water which results in an end-product that is locally derived from the product cultivated, raised, caught or harvested.

4. **End-Product:** The item sought by the governmental body of the State and described in the solicitation including all component parts and in final form and ready for the use intended by the governmental body.

5. **Unreasonable Cost:**
   (a) The cost of an item from a resident vendor or an end-product made, manufactured or grown in South Carolina is unreasonable if the bid exceeds by more than seven percent the lowest qualified bid on the same item or end-product which is made, manufactured or grown in other states of the United States, or in a foreign country or territory.
   (b) The cost of an end-product made, manufactured or grown in other states of the United States is unreasonable if the bid exceeds by more than two percent the lowest qualified bid on the same or similar end-product which is made manufactured or grown in a foreign country or territory.

6. **Resident vendor:** A vendor is considered to be a resident of this State if the vendor is:
   (a) an individual, partnership, association, or corporation that is authorized to transact business within the State,
   (b) maintains an office in the State,
(c) maintains an inventory for expendable items which are representative of the general type of commodities on which the bid is submitted and located in South Carolina at the time of the bid having a total value of ten thousand dollars or more based on the bid price, but not to exceed the amount of the contract, or is a manufacturer which headquartered and has at least a ten million dollar payroll in South Carolina and the product is made or processed from raw materials into a finished end product by such manufacturer or an affiliate (as defined in Section 1563 of the Internal Revenue Code) of such manufacturer, and (d) has paid all assessed taxes.

B. Application.
Competitive procurements made by governmental bodies shall be made from vendors resident to South Carolina or vendors who bid end-products made, manufactured or grown in South Carolina or in the United States if available, provided that (1) the bidder has certified in writing in the bid that he or she is resident to the State, or (2) the bidder has certified in writing in the bid that the end-product was made, manufactured or grown in South Carolina or in the United States, and (3) the end-product is not unreasonable. In order to receive the award the vendor must be a responsible and responsive bidder and the bid must otherwise comply with the Procurement Code and Regulations.

In the case of a request for resident vendor status, this requirement shall apply to the entire solicitation. In the case of a request for end-product status, this requirement shall apply to each line item or each lot in a solicitation to which a separate, responsive bid may be made.

C. Exceptions.
This section shall not apply (1) to any procurements conducted under Article 9 of the Code, (2) to any prime contractor or subcontractor providing materials or services relating to permanent improvements to real estate, (3) to any solicitation, bid, offer, or procurement when the price of a single unit of the end-product is more than $30,000, whether or not more than one unit is bid or offered, (4) to any solicitation, bid, offer or procurement where the contract award is less than $10,000, or (5) to any solicitation conducted under Section 11-35-1530 of the Code.

D. Enforcement.
(1) A bidder shall be suspended or debarred from doing business with the
State in accord with Section 11-35-4220 of the South Carolina Consolidated Procurement Code if the Chief Procurement Officer determines that the certification made by the bidder as to the resident vendor request of the origin of the end-product was filed under false pretenses and is not valid. In addition, if the bidder with the invalid certification of origin was awarded the contract he shall also pay the State of South Carolina the amount by which the bid based on the invalid certification exceeded the lowest responsible and responsive bid that would have been selected but for the invalid certification.

(2) If a bidder has not requested the preference he will neither be entitled to claim any preference against another bidder nor will be protected from application of another bidders’ claim to a preference against his bid in determining against his bid determining contract award.

E. If a vendor qualifies as a resident vendor and is bidding a product made, manufactured, or grown in South Carolina an additional three percent must be given if claimed by the vendor.

Competitive Fixed Price Bidding.
(1) Conditions for Use. When a purchasing agency determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the State, a contract may be entered into by competitive fixed price bidding subject to the provisions of Section 11-35-1520 and the ensuing regulations, unless otherwise provided for in this section.

(2) Fixed Price Bidding. The purpose of fix priced bidding is to provide multiple sources of supply for specific goods or services based on a pre-set maximum price which the State will pay for such goods or services.

(3) Public Notice. Adequate public notice of the solicitation shall be given in the same manner as provided in Section 11-35-1520(3).

(4) Pricing. The State shall establish, prior to issuance of the fixed price bid, a maximum amount the State will pay for the goods or services desired.

(5) Evaluation. Vendors responses to the fixed price bid will be reviewed to Determine if they are responsive and responsible.

(6) Discussion with Responsive Bidders. Discussions may be conducted with Apparent responsive bidders to assure understanding of the requirements of the fixed price bid. All bidders, whose bids, in the procuring agency’s sole judgment, need clarification shall be accorded such an opportunity.

(7) Award. Award must be made to all responsive and responsible bidders to the State’s request for competitive fixed price bidding. The contract file shall
contain the basis on which the award is made and must be sufficient to satisfy external audit.

(8) **Bids Received after Award.** Bidders not responding to the initial fixed price Bid may be added to the awarded vendors list provided the bidder furnishes evidence of responsibility and responsiveness to the State’s original fixed price bid as authorized by the solicitation.

(9) **Remedies.** The failure of a specific offeror to receive business, once it has been added to the awarded vendors list, shall not be grounds for a contract controversy under Section 11-35-4230.

### Competitive Best Value bidding

(1) **Conditions for Use.** When a purchasing agency determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the State, a contract may be entered into by competitive best value bidding subject to the provisions of Section 11-35-1520 and the ensuing regulations, unless otherwise provided for in this section.

(2) **Best Value Bidding.** The purpose of best value bidding is to allow factors other than price to be considered in the determination of award for specific goods or services based on pre-determined criteria identified by the State.

(3) **Public Notice.** Adequate public notice of the request for the solicitation shall be given in the same manner as provided in Section 11-35-1520(3).

(4) **Bid Opening.** At bid opening, the only information that will be released is the names of the participating bidders. Cost information will be provided after the ranking of bidders and the issuance of award.

(5) **Evaluation Factors.** The best value bid shall state the factors to be used in determination of award and numerical weighting for each factor. Cost must be a factor in determination of award and cannot be weighted at less than sixty percent. Best value bid evaluation factors may be defined to include, but are not limited to the following:

(a) Operational costs that the State would incur if the bid is accepted;
(b) Quality of the product or service, or its technical competency;
(c) Reliability of delivery and implementation schedules;
(d) Maximum facilitation of data exchange and systems integration;
(e) Warranties, guarantees, and return policy;
(f) Vendor financial stability;
(g) Consistency of the proposed solution with the State’s planning documents and announced strategic program direction;

(h) Quality and effectiveness of business solution and approach;
(i) Industry and program experience;
(j) Prior record of vendor performance;
(k) Vendor expertise with engagement of similar scope and complexity;
(l) Extent and quality of the proposed participation and acceptance by all user groups;
(m) Proven development methodologies and tools; and
(n) Innovative use of current technologies and quality results.

(6) **Discussion with Responsive Bidders.** Discussions may be conducted with apparent responsive bidders to assure understanding of the best value bid. All bidders, whose bids, in the procuring agency’s sole judgment, need clarification shall be accorded such an opportunity.

(7) **Selection and Ranking.** Bids shall be evaluated by using only the criteria stated in the best value bid and by adhering to the weighting as assigned. All evaluation factors, other than cost, will be considered prior to determining the effect of cost on the score for each participating bidder. Once the evaluation is complete, all responsive bidders shall be ranked from most advantageous to least advantageous to the State, considering only the evaluation factors stated in the best value bid.

(8) **Award.** Award must be made to the responsive and responsible bidder whose bid is determined in writing, to be most advantageous to the State, taking into consideration all evaluation factors set forth in the best value bid. The contract file shall contain the basis on which the award is made and must be sufficient to satisfy external audit.

**Competitive Sealed Proposals.**

(1) **Conditions for Use.** When a purchasing agency determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the State, a contract may be entered into by competitive sealed proposals subject to the provisions of Section 11-35-1520 and the ensuing regulations, unless otherwise provided for in this Section. Subject to the requirements of Section 11-35-3220, the board may provide by regulation that is either not practicable or not advantageous to the State to procure specified type of supplies, services, or construction by competitive sealed bidding.

(2) **Public Notice.** Adequate public notice of the request for proposals shall be given in the same manner as provided in Section 11-35-1520(1)(3).

(3) **Receipt of Proposals.** Proposals shall be opened publicly in accordance with regulations of the board. A tabulation shall be prepared in accordance with regulations promulgated by the board and shall be open for public inspection after contract award.

(4) **Request for Qualifications.** Prior to soliciting proposals, the procuring agency, acting through the authorized procurement officer, may issue a request for
qualifications from prospective offerors. Such request shall contain at a minimum a description of the goods or services to be solicited by the request for proposals and the general scope of the work and shall state the deadline for submission of information and how prospective offerors may apply for consideration. The request shall require information only on their qualifications, experience, and ability to perform the requirements of the contract. After receipt of the responses to the request for qualifications from prospective offerors, the perspective offerors shall be ranked from most qualified to least qualified on the basis of the information provided. Proposals shall then be solicited from at least the top two prospective offerors by means of a request for proposals. The failure of a prospective offeror to be selected to receive the request for proposals shall not be grounds for protest under Section 11-35-4210.

(5) **Evaluation Factors.** The request for proposals shall state the relative importance of the factors to be considered in evaluating proposals shall not require a numerical weighting for each factor. Price may but need not be an evaluation factor.

(6) **Discussion with Offerors.** As provided in the request for proposals, discussions may be conducted with apparent responsive offerors for the purpose of clarification to assure full understanding of the requirements of the request for proposals. All offerors, whose proposals, in the procuring agency’s sole judgment, needed clarification shall be accorded such an opportunity.

(7) **Selection and Ranking.** Proposals shall be evaluated using only the criteria stated in the request for proposals and there must be adherence to any weightings have been previously assigned. Once evaluation is complete, all responsive offerors shall be ranked from most advantageous to least advantageous to the State, considering only the evaluation factors stated in the request for proposals. If price is an initial evaluation factor, award shall be made in accordance with Section 11-35-1530(9) below.

(8) **Negotiations.** Whether price was an evaluation factor or not, the procuring agency, through the appropriate procurement official, may, in its sole discretion and not subject to challenge through a protest filed under Section 11-35-4210, proceed in any of the manners indicated below:

(a) negotiate price with the highest ranked offeror. If a satisfactory price cannot be agreed upon, price negotiations may be conducted, in the sole discretion of the procuring agency, with the second, and then the third, and so on, ranked offerors to such level of ranking as determined by the procuring agency in its sole discretion; or

(b) negotiate with the highest ranking offeror on matters affecting the scope of the contract, so long as the overall nature and intent of the contract is not changed. If a satisfactory contract cannot be negotiated with the highest ranking offeror, negotiations may be conducted, in the sole discretion of
the procuring agency, with the second, and then the third, and so on, ranked offerors to such level of ranking as determined by the procuring agency in its sole discretion; or

(c) During the negotiation process as outlined in subsections (a) and (b) Above, if any agency is unsuccessful in its first round of negotiations, it may reopen negotiations with any offeror with whom it previously negotiated.

(d) If, after following the procedures set forth in Section 11-35-1530(8), a Contract is not able to be negotiated, the scope of the request for proposals may be changed in an effort to reduce the cost to a fair and reasonable amount, and all responsive offerors must be allowed to submit their best and final offers. In conducting negotiations, there must be no disclosure of any confidential information derived from proposals and negotiations submitted by competing offerors.

(9) **Award.** Award must be made to the responsive offeror whose proposal is determined in writing to be the most advantageous to the State, taking into consideration price and the evaluation factors set forth in the request for proposals, unless the procuring agency determines to utilize one of the options provided in Section 11-35-1530(8). The contract file shall contain the basis on which the award is made and must be sufficient to satisfy external audit. Procedures and requirements for the notification of intent to award the contract shall be the same as those stated in Section 11-35-1520(10).

**Negotiations After Unsuccessful Competitive Sealed Bidding.**

When bids received pursuant to an invitation for bids under Section 11-35-1520 are considered unreasonable by the procuring agency, or are not independently reached in open competition, or the low bid exceeds available funds as certified by the appropriate fiscal officer, and it is determined in writing by the chief procurement officer, the head of a purchasing agency, or the designee of either officer above the level of procurement officer, that time or other circumstances will not permit the delay required to re-solicit competitive sealed bids, a contract may be negotiated pursuant to this section, provided that:

1. each responsible bidder who submitted a bid under the original solicitation is notified of the determination and is given reasonable opportunity to negotiate.
2. the negotiated price is lower than the lowest rejected bid by any responsible and responsive bidder under the original solicitation;
3. the negotiated price is the lowest negotiated price offered by any responsible and responsive offeror.
Cancellation of Solicitations


Any solicitation under this code may be canceled, or any or all bids or proposals may be rejected in whole or part as may be specified in the solicitation, when it is in the best interest of the State. The reasons for rejection, supported with documentation sufficient to satisfy external audit, shall be made a part of the contract file.


1. Specified Period. Unless otherwise provided by law, a contract for supplies or services shall not be entered into for any period of more than one year unless approved in a manner prescribed by regulation of the board; provided, that the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefore.

2. Determination Prior to Use. Prior to utilization of a multi-term contract, it shall be determined in writing by the appropriate government body;

   a. that estimated requirements cover the period of the contract and are reasonably firm and continuing;

   b. that such a contract will serve the best interests of the State by encouraging effective competition or otherwise promoting economies in state procurement.

Cancellation Due to Unavailability of Funds in Succeeding Fiscal Periods.

When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled.

Maximum Time For Use.

The maximum time for any multi-term contract is five (5) years. Contracts terms of up to seven (7) years may be approved by the Office of General Services. Contracts exceeding seven (7) years must be approved by the Budget and Control Board.

DRUG-FREE WORKPLACE ACT

Title 44, Chapter 107, et. Seq., S.C. Code, annotated, required bidders to provide a drug-free workplace for all to include Sole Source and Emergency contracts of an actual or estimated value of $50,000.00 or more. Bids of that amount or more must require bidders to certify compliance with the Act when they submit their bids.
Sale, Lease, Transfer and Disposal of Surplus Property

Regulations for Sale, Lease, Transfer and Disposal.
Allocation of Proceeds for Sale or Disposal of Surplus Supplies.
Trade-in Sales.
Office of General Services Authorized to License for Public Sale
Certain Publications and Materials; Disposition of Proceeds.

Regulations for Sale, Lease, Transfer and Disposal.
Subject to existing provisions of law, the board shall promulgate regulations governing:
(1) the sale, lease, or disposal of surplus supplies by public auction, competitive sealed bidding or other appropriate methods designated by such regulations;
(2) the transfer of excess supplies between agencies and departments.

Allocation of Proceeds for Sale or Disposal of Surplus Supplies.
Except provided in Section 11-35-1580 and Section 11-35-3830 and the regulations pursuant thereto, the sale of all state supplies, property or personal property not in actual public use shall be conducted and directed by the Office of General Services. Such sales shall be held at such places and in such manner as in the judgment of the Office of General Services shall be most advantageous to the State. Unless otherwise determined, sales shall be by either public auction or competitive sealed bid to the highest bidder. Each governmental body shall inventory and report to the Office all surplus personal property not in actual public use held by that agency for sale. The Office of General Services shall deposit the proceeds from such sales, less expense of the sales in the state general fund or as otherwise directed by regulation. This policy and procedure shall apply to all governmental bodies unless exempt by law.

Trade-In Sales.
(1) Trade-In Value. Unless otherwise provided by law, governmental bodies may trade-in personal property the trade-in value of which may be applied to the procurement or lease of like items. The trade-in value of such personal property shall not exceed an amount as specified in regulations promulgated by the board.
(2) Approval of Trade-in Sales. When the trade-in value of personal property of a governmental body exceeds the specified amount, the board shall have the authority to determine whether (a) the subject personal property shall be traded in and the value applied to the purchase of new like items or (b) the property shall be classified as surplus and sold in accordance with the provisions of Section 11-35-3820. The board’s determination shall be in writing and be subject to the provisions of this chapter.
(3) Record of Trade-In Sales. Governmental bodies shall submit quarterly to the
materials management officer a record listing all trade in sales made under subsections (1) and (2) of this section.

Office of General Services Authorized to License for Public Sale Certain Publications and Materials; Disposition of Proceeds.
The Office of General Services of the State Budget and Control Board may license for public sale publications and materials pertaining programs and information technology products which are developed during the normal course of the Office’s activities. Such items shall be licensed at such reasonable costs as are established in accordance with the cost of the items. All proceeds from the sale of the publications and materials shall be placed in a revenue account and expended for the cost of providing such services.

Sale of Unserviceable Materials and Equipment.
Governmental bodies approved by the board may sell any supplies owned by it after such supplies have become entirely unserviceable and can properly be classified as “junk”, in accordance with procedures established by the Office of General Services. All sales of unserviceable supplies by the governmental body shall be made in public to the highest bidder, after advertising for fifteen days, and the funds from such sales shall be credited to the account of the governmental body owning and disposing of such unserviceable supplies.

Definitions and Certification

Definitions of Terms Used in this Article

11-35-5010. Definitions of Terms Used in this Article.
The board may promulgate regulations establishing detailed definitions of the following terms using, in addition to the criteria set forth in this section, such other criteria as it may deem desirable.

(1) “Minority person” for the purpose of this article, means a United States citizen who is economically or socially disadvantaged.

   (a) “Socially disadvantaged individuals” means those individuals who have been subject to racial or ethnic prejudice or cultural bias because of their identification as members of a certain group, without regard to their individual qualities. Such groups include, but are not limited to, Black Americans, Hispanic Americans, Native Americans(including American Indians, Eskimos, Aleuts and Native Hawaiians), Asian Pacific Americans and other minorities to be designed by the board or designated agency.

   (b) “Economically disadvantaged individuals” means those
socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged.

(2) “Socially and economically disadvantaged small business” means any small business concern which:

(a) Is at least fifty-one percent owned by one or more citizens of the United States who are determined to be socially and economically disadvantaged.

(b) In the case of a concern which is a corporation, fifty-one percent of all classes of voting stock of such corporation must be owned by an individual determined to be socially and economically disadvantaged.

(c) In the case of a concern which is a partnership, fifty-one percent of the partnership interest must be owned by an individual or individuals determined to be socially and economically disadvantaged and whose management and daily business operations are controlled by individuals determined to be socially and economically disadvantaged. Such individuals must be involved in the daily management and operations of the business concerned.

**Assistance to Minority Businesses**

*SubArticle 3*

Statement of Policy and its Implementation.

Duties of the Chief Procurement Officer.

Regulations for Negotiation with State Minority Firms.

Minority Business Enterprise (MBE) Utilization Plan.

Progress Payments and Letter of Credit.

Annual Report to the Board.

Small and Minority Business Assistance Office.

**11-35-5210. Statement of Policy and its Implementation.**

(1) **Statement of Policy.** The South Carolina General Assembly declares that business firms owned and operated by minority persons have been historically restricted from full participation in our free enterprise system to a degree disproportionate to other businesses. The General Assembly believes that it is in the state’s best interest to assist minority-owned businesses to develop fully as a part of the State’s policies and programs which are designed to promote balanced economic and community growth and operated by minorities are afforded the opportunity to fully participate in the overall procurement process of the State. The General Assembly, therefore, takes this leadership role in setting procedures that will result in awarding contracts and subcontracts to minority business firms in order to enhance minority capital ownership,
overall state economic development and reduce dependency on the part of minorities.

(2) **Implementation.** Chief procurement officers shall implement the policy set forth in subsection (1) of this section in accordance with the provisions of Section 11-35-5220.

**11-35-5220. Duties of the Chief Procurement Officers.**

(1) **Assistance from the Chief Procurement Officers.** The chief procurement officers shall provide appropriate staffs to assist minority businesses with the procurement procedures developed pursuant to this code.

(2) **Special Publications.** The chief procurement officers in cooperation with other appropriate private and state agencies may issue supplementary instructions designed to assist minority businesses with the state procurement procedures.

(3) **Source Lists.** Chief procurement officers shall maintain special source lists of minority business firms detailing the products and services which they provide. These lists shall be made available to agency purchasing personnel.

(4) **Solicitation Mailing Lists.** The chief procurement officers shall include and identify minority business on the state’s bidders’ list and shall ensure that these firms are solicited on an equal basis within non-minority firms.

(5) **Training Programs.** The chief procurement officers shall work with appropriate state offices and minority groups in conducting seminars to assist minority business owners in learning how to do business with the State.

**11-35-5230. Regulations for Negotiations with State Minority Firms.**

(A) The board shall promulgate regulations that designate such procurement contracts as it may deem appropriate for negotiation with certified, South Carolina-based minority firms, as defined by this subarticle. Among the criteria that shall be used to determine such designation are:

(1) The total dollar value of procurement in South Carolina.
(2) The availability of South Carolina based minority firms.
(3) The potential for breaking the contracts into smaller units, where necessary, to accommodate such firms.
(4) Insuring that the State shall not be required to sacrifice quality of goods and services.
(5) Insuring that the price shall have been determined to be fair and
reasonable, and competitive both to the State and to the contractor and results in no loss to the State.

(B)

(1) Firms with state contracts that subcontract with minority firms shall be eligible for an income tax credit equal to four percent of the payments to minority subcontractors for work pursuant to a state contract. Such subcontractors must be certified as to the criteria of a minority firm as defined in Section 11-35-5010 of this code and any regulations which may be promulgated there under.

(2) The tax credit is limited to a maximum of twenty-five thousand dollars annually. A firm shall be eligible to claim a tax credit for a period of five years from the date the first income tax credit is claimed.

(3) Any firm desiring to be certified as a minority firm shall make application to the Small and Minority Business Assistance Office (SMBAO) as defined in Section 11-35-5270, in such forms as may be prescribed by that office.

(4) Firms claiming the income tax credit shall maintain evidence of work performed for a state contract by minority subcontractors and shall present such evidence on a form and in a manner prescribed by the Department of Revenue and Taxation at the time of filing its state income tax return and claim such credit at the time of filing. All records shall be available for audit by the Department of Revenue and Taxation in accordance with prevailing tax statutes.

Minority Business Enterprise (MBE) Utilization Plan.

(1) In order to emphasize the use of minority small businesses, each agency director shall develop a Minority Business Enterprise (MBE) Utilization Plan. The MBE Utilization Plan shall include but not be limited to:

(a) The name of the governmental body;

(b) A policy statement expressing a commitment by the governmental body to use MBE’s in all aspects of procurement;

(c) The name of the coordinator responsible for monitoring the MBE Utilization Plan;

(d) Goals that include a reasonable percentage of each governmental body’s total procurements directed toward minority vendors.

(e) Solicitation of qualified minority vendors, a current list of which shall be supplied by the Office General Services, in each commodity category for which such minority vendor is qualified. The current listing of qualified minority vendors shall be made available by the Office of General Services on a timely basis;
(f) Procedures to be used when it is necessary to divide total project requirements into small tasks which will permit increased MBE participation;

(g) Procedures to be used when the governmental body subcontracts the scope of service to another governmental body; the responsible governmental body may set goals for the may allow the subcontractor in accordance with the MBE goal and the responsible governmental body may allow the subcontractor to present a MBE Utilization Plan detailing its procedure to obtain minority business enterprise participation.

(2) MBE utilization plans shall be submitted to the SMBAO for approval not later than July, thirtieth, annually. Progress reports shall be submitted to the SMBAO not later than ten days after the end of each fiscal quarter.

   (a) Number of minority firms solicited;
   (b) Number of minority bids received;
   (c) Dollar amount of minority bids awarded.

11-35-5250. Progress Payments and Letter of Credit.

(1) Progress Payments. The chief procurement officers may make special provisions for payments, and letters of credit, as deemed reasonable to assist minority businesses to carry out the terms of a state contract pursuant to regulations which may be promulgated by the board.

(2) Letter of Contract Award. When a minority business firm certified by the Department of Revenue and Taxation receives a contract with the State, the appropriate chief procurement officer shall furnish a letter, upon request, stating the dollar value and duration of, and other information about the contract, which may be used by the minority firm in negotiating lines of credit with lending institutions.

Annual Report to the Board.
Each governmental body shall report annually in writing to the board concerning the number and the dollar value of contracts awarded to eligible minority businesses during the preceding fiscal year. These records shall be maintained to evaluate the progress of this program.

Small and Minority Business Assistance Office.
A Small and Minority Business Assistance Office (SMBAO) shall be established to assist
the board and the Department of Revenue and Taxation in carrying out the intent of this article. The responsibilities of the office shall include but not be limited to the following:

1. Assist the chief procurement officers and governmental bodies in developing policies and procedures which will facilitate awarding contracts to small and minority firms;
2. Assist the chief procurement officers in aiding small and minority owned firms and community based business in developing organizations to provide technical assistance to minority firms;
3. Assist with the procurement and management training for small and minority firm owners;
4. Assist in the identification of responsive small and minority firms;
5. Receive and process applications to be registered as a minority firm in accordance with Section 11-35-5230(B);
6. The SMBAO may revoke the certification of any firm which has been found to have engaged in any of the following:
   (a) fraud or deceit in obtaining the certification;
   (b) furnishing of substantially inaccurate or incomplete information concerning ownership or financial status;
   (c) failure to report changes which affect the requirements for certification;
   (d) gross negligence, incompetence, financial responsibility or misconduct in the practice of his business; or
   (e) Willful violation of any provision of this article.
7. After a period of one year, the SMBAO may reissue a certificate of eligibility provided acceptable evidence has been presented to the commission that the conditions which caused the revocation have been corrected. The Governor shall evaluate the role of this office within two years from the date of its creation and shall request recommendations of the State Reorganization Commission. The Governor may propose a more appropriate location of the office should the findings warrant change.

**Information Technology**

Information Technology (IT) means data processing, telecommunications and office systems technologies and services which are further defined as follows:

(a) “Data Processing” means the automated collection, storage, manipulation and
retrieval of data including: central processing units for micro, mini and mainframe computers; related peripheral equipment such as terminals, document scanners, word processors, intelligent copiers, off-line memory storage and printing systems, data transmission equipment and related software such as operating systems, library and maintenance routines and applications programs.

(c) “Telecommunications” means voice, data, message and video transmissions, and includes the transmission and switching facilities of public telecommunications systems, as well as operating and network software.

© “Office Systems Technology” means office equipment such as typewriters, duplicating and photocopy machines, paper forms and records, microfilm and microfiche equipment and printing equipment and services.

(d) “Services” means the providing of consultant assistance for any aspect of information technology, systems and networks.

The University shall rent, lease and/or purchase Information Technology hardware and Software in accordance with the Code and Budget and Control Board Permanent Procurement Regulations. The University shall develop annually, in coordination with The Information Resource Management Office, a master plan for Information Technology Procurements. The University’s annual Information Technology Plan must be approved by the Office of Research and Statistics of the Budget and Control Board. Subject to approval of the master plan the University is only certified to make Information Technology procurements up to $10,000.00, all other acquisitions above $10,000.00 shall be made through the Division of General Services Information Technology Procurement Office.

The University is certified to purchase printing services up to $25,000.00, ancillary charges included, except sales tax. These purchases must comply with the Code, Budget and Control Board regulations and the S.C, Government Printing Services Manual, which is to be referenced for detailed instructions.

The Director of Information Resource Management is delegated responsibility for the following:
(a) Preparation and maintenance of the University’s master plan.

(b) Preparation of Advance Planning Documents (APD) and requisites for Federal approval of Information Technology acquisitions. APD’s and requests for Federal approval are required for IT purchases of $500,000.00 and above.

© Review of all University requests for Information Technology, except bona fide telephone installations, for compliance with the master plan and technological compatibility with existing and proposed equipment. Telephone installation requests will be reviewed by the Bureau of Administrative Services.

Lease and/or Rental of Office Space and Real Property

Rental or lease of office space or real property must be negotiated and approved by the Real Property Management Section, Division of General Services. While it is permissible and efficient for the University to survey the market and select facilities of their choice, the Real Property Management Section reserves the right to disapprove the selection, negotiate for and approve another facility or have need to rent and/or lease office space or real property, contact the Director of Procurement Rental of Real Property must be approved by the Commission on Higher Education.

(2) Notification as to Need When State-Owned Property is Unavailable.
When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Divisions of General Services of its requirement on rental request forms prepared by the division. Such forms shall indicate the amount and locations of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as the division may require. Upon receipt of any such request, the division shall conduct an investigation of available rental space which would adequately meet the governmental body’s requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the division agree meets necessary requirements and standards for state leasing as prescribed in regulations of the board as provided for in subsection (3) of this section, the division shall give its written approval to the governmental body and the division fail to reach agreement with regard to the appropriate
property for leasing, the controversy shall be referred to the Budget and Control Board which shall make a final determination on the matter. All proposed lease renewals shall be submitted to the division by the time specified by the division.

Auditing Services

Contracts for Auditing and Accounting Services are prohibited, regardless of dollar amount, without approval of the State Auditor except where specific statutory authority is provided. Requests for Auditing and Accounting services must be reviewed by the Vice President of Finance and Management, who, when appropriate and upon approval by the Director of Procurement Services, will obtain approval from the State Auditor. Upon approval of State Auditor, auditing services will be acquired in accordance with the Code and its regulations.

Legal Services

Contracts for services of attorneys are prohibited, except as otherwise provided, without Approval of the State Attorney General. Requests for legal services must be reviewed by the General Counsel who, when appropriate and upon approval by the Procurement Director or President will obtain approval from the State Attorney General. Upon Approval of the Attorney General, legal services will be acquired in accordance with The Code and its regulations.

Consultant & Certain Professional Services

Contracts may be awarded up to the certified limits ($25,000.00) of the University. Due to the technical and/or professional aspects of such contracts, the President may authorize, in writing, individuals or entities within the University to coordinate such contracts with Purchasing and/or the Contracts Division. Consultants perform their services on a fee basis. Consultants services are contracted for a definite period or specified project. Consultants produce written reports and/or at the end of their services.
Departments requesting consultant services should submit a properly completed purchase requisition which contains the following information:

1. Definition of need
2. Expected results from consultant
3. Specific qualifications the consultant most possess
4. Period services will be needed
5. Supporting documents for bid solicitation

Consultant services shall be obtained using the small purchase or competitive purchasing procedures as appropriate unless specifically exempted by the Procurement code.

**Employee Services**

Employee services are defined as “individuals performing services directly for the State of South Carolina, or any governmental body thereof, over whom the State or governmental body has the right of control not only as to the result to be accomplished by the work but also as to the details and means by which that work is to be accomplished”.

**Employment Services**

Employment services are defined as “individuals performing services indirectly for the State of South Carolina, or any governmental body thereof, whose services are obtained through a private employment agency”. The employee-employer relationship exists between the private employment agency and its employee, and the State, or any governmental body, contracts with the private employment agency for the services of its employees.

The University may acquire these services up to its certified dollar limit of $25,000.00 except those services available from the State Contract negotiated by the Materials Management Office. (There is no dollar limitation for services obtained from the State Contract). Requests for these services shall be directed to the Personnel Director. The Personnel Director is responsible for obtaining approval from the President.

**Blanket Purchase Agreements**

A Blanket Purchase Agreement (BPA) is a simplified method of filling anticipated repetitive needs for small quantities of supplies or services by establishing “charge accounts” with qualified sources of supply. Blanket purchase agreements are designed to reduce administrative costs in acquiring small purchases by eliminating the need for issuing individual purchase documents. Agreements for items of the same type should be
placed concurrently with more than one supplier. All competitive sources shall be given an equal opportunity to furnish supplies or services under such agreements. At the beginning of each fiscal year a new contract will be issued. Vendors are expected to come to the Office of Procurement Services to sign contracts.

**Terms and Conditions**. Blanket purchase agreements shall contain the following provisions:

1. Description of agreement stating that the supplier shall furnish supplies or Services, described therein in general terms, if and when requested by the Purchasing Official or his authorized representative, during a specified period within a stipulated aggregate amount, if any. Blanket purchase agreements may encompass all items that the supplier is in a position to furnish, except those available from State contracts.

2. Extent of obligation stating that the University is obligated only to the Extent of authorized calls actually placed against the blanket purchase agreement.

3. Notice of individuals authorized to place calls and dollar limitations listing names of individuals authorized to place calls under the agreement, identified by organizational component, and the dollar limitation per call for each individual shall be furnished to the supplier by the Purchasing Official.

4. Delivery tickets, except subscriptions and other charges for newspapers, Magazines or other periodicals, shall be accompanied by sales slips which shall contain the following minimum information;

   (aa) name of supplier;
   (bb) blanket purchase agreement number;
   (cc) date of call;
   (dd) call number;
   (ee) itemized list of supplies or services furnished;
(ff) quantity, unit price and extension of each item less applicable discounts (unit price and extensions need not be automated systems, provided that the invoice is itemized to show this information;

(gg) date of delivery or shipment.

(5) Invoices such as:

(aa) A summary invoice submitted at least monthly or upon expiration Of the blanket purchase agreement, whichever occurs first, for all deliveries made during a billing period, identifying the delivery tickets covered therein, stating their total dollar value and supported by receipted copies of the delivery tickets;

Or

(bb) An itemized invoice submitted at least monthly or upon expiration of the blanket purchase agreement, whichever occurs first, for all deliveries made during a billing period and for which payment has not been received. Such invoices need not be supported by copies of delivery tickets;

(cc) When billing procedures provide for an individual invoice or each delivery, these invoices shall be accumulated the period of any discounts will commence on final date of billing period or on the date of receipt of invoices for all deliveries accepted during the billing period, whichever is later. This procedure should not be used if the accumulation of the individual invoices materially increases the administrative costs of the purchase method.

(dd) An invoice for subscriptions or other charges for newspapers, magazines or other periodicals shall show the starting and ending dates and shall state either that orders have been placed in effect or will be placed in effect upon receipt of payment.

© Competition Under Blanket Purchase Agreement
Calls against blanket purchase agreements shall be placed after prices are obtained. When concurrent agreements for similar items are in effect, calls shall be equitably distributed. In those instances where there is an insufficient number of BPSs for any given class of supplies or services to assure adequate competition, the individual placing the order shall solicit quotations from other sources.

(d) Calls Against Blanket Purchase Agreement

Calls against blanket purchase agreement generally will be made orally, except that informal correspondence may be used when ordering against agreements outside the local trade area. Written calls may be executed on the University’s Purchase Order or Purchase Requisition Form. Documentation of calls shall be limited to essential information. Forms developed for this purpose must be compatible with the Comptroller General’s Office STARS system.

(e) Receipt and Acceptance of Supplies or Services

Acceptance of supplies or services shall be indicated by signature and date on the appropriate form by the Purchasing Official, or his designee, after verification and notation of any exceptions. A sales slip or delivery ticket may be used for receipt and acceptance when purchases are retained for administration.

(f) Review Procedures

Purchasing shall review blanket purchase agreement files at least semi-annually to assure that authorized procedures are being followed. Blanket purchase agreements shall be issued for a period of no longer than 12 months.

Purchase of Recycled and Recycable Products and Materials
The Solid Waste Management Act of 1991 requires state agencies to reduce the amount of solid waste they generate by 30%, within 6 years. It also requires that 25% of the products and materials purchased by agencies be either recyclable or contain recycled content(s), where practicable. The Materials Management Office (MMO) is responsible for and is in the process of developing specifications for products that contain recycled materials. The University will purchase recyclable items and/or those with recycled content, where practicable.

**Vendor Complaints**

Whenever a department feels a vendor has not satisfactorily delivered the goods/services contracted for by the purchase order, the procedure listed below should be followed. This procedure covers all delinquencies, unauthorized substitution of items, goods/services not meeting specifications, partial shipments, billing discrepancies, and other deviations from the terms and conditions of the contract/purchase order.

1. The department should initially contact the vendor to register a complaint. This initial contact and any subsequent contacts must be documented to include all pertinent facts relative to the problem and efforts made of reconciliation.

2. If the problem is not reconciled within 10(ten) days a written request for the Purchasing Office intervention should be submitted to the Director of Procurement Services, along with the documentation referenced above.

3. The Purchasing Office will immediately contact the vendor to seek a resolution to the problem.

4. The department will be contacted by the Purchasing Office and advised of the resolution and any further actions required of the department.

5. If the response by the vendor is timely and reasonable, no action will be taken by the Purchasing Office. A follow-up to the department may be made by the Purchasing Office to assume that the problem is resolved.
PROHIBITED EXPENDITURES

A. Flowers for funerals and illnesses.

B. Travel and entertainment of “employees, associates and friends of the Institution”
   For development of public relations purposes.

C. Flowers, meals and services in connection with such activities such as lunch for
   Scholars, their families, selected faculty, staff and/or students.

D. Business luncheons attended by Institution Officials, State Officials, etc.
   (Except when employee could qualify for travel subsistence and charge his own
   expenses against a regular operating account).

E. Meals to industry representatives visiting campus to interview students as
   prospective employees.

F. Dinners and entertainment of employees assigned to recruit or interview
   prospective employees. Employees may charge their subsistence to a regular
   operating account, if it meets travel regulations.

G. Insurance for faculty and staff, to include malpractice insurance.

H. Cost of gifts, entertainment, travel and subsistence expenses, etc. of family of
   trustees and administrative officials.

I. Membership not in the name of the Institution unless approved by the President of
   The University.
Freedom Of Information Request

All requests for information under the Freedom of Information Act will be made in All requests for information under the Freedom of Information Act will be referred to the Director of Procurement Services. This does not include routine requests for information on bid awards. The information announced at bid openings is considered to be public information. However, if a vendor wants to obtain copies of all bids/proposals, etc., it will be considered a request for Information under the Freedom Of Information Act.

Printing Services

The University Print Shop is the preferred source of all printing requirements. The print shop Manager’s approval is required for printing services from outside printers prior to solicitation. All printing services from outside printers shall be solicited in accordance with the State Printing Manual using the printing specifications sheet or forms specifications contained herein. (See Appendix A)

Purchases From Other State Agencies

Purchases from other state agencies, except those specifically exempted, must meet the same Competition tests as purchases from outside vendors. However, exemption may be requested from the State’s Materials Management Officer on an individual basis. The exemption must be Requested using the Justification For Contracts Between State Agencies form. Requests for Exemption shall be forwarded by the Director of Procurement Services to the Materials Management Office. (See Appendix A)

Unauthorized Purchases

An unauthorized purchase (procurement) is defined as the obligation of payment for goods and Services made by any person without the requisite authority to do so by an appointment or Delegation under the provisions of the South Carolina Consolidated Procurement Code and University guidelines. Procurement Officers are expressly prohibited from ratifying such acts. The President may ratify unauthorized purchases within the certified dollar expenditure limits (per transaction) for this agency. All unauthorized purchases above the University expenditure limits must be ratified by the University expenditure limits must be ratified by the University’s President and by the Materials Management Officer.
Rights to Protest; Exclusive Remedy

Any prospective bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the solicitation of a contract shall protest to the appropriate chief procurement officer in the manner stated in subsection (2) below within fifteen days of the date of issuance of the Invitation For Bids or Requests for Proposal or documents, whichever is applicable, or any amendment thereto, if the amendment is at issue.

Any actual bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of a contract shall protest to the appropriate chief procurement officer in the manner stated in subsection (3) below within fifteen days of the date of notification of award is posted in accordance with this code.

The rights and remedies granted in the article to a disappointed bidder, offeror, contractor, or subcontractor are to the exclusion of all other rights and remedies of such disappointed bidder, offeror, contractor, or subcontractor against the State at common law or otherwise for the loss or potential loss of an award of a contract under the South Carolina Consolidated Procurement Code.

CONSTRUCTION

Construction is the process of building, altering, repairing, remodeling, improving or demolishing any public building or other public improvement of any kind to any real property. It does not include the routine repair, routine maintenance, operation, or routine operation of existing structures, buildings or real property where the total cost is less than $25,000.00. This section sets procedures for construction projects within the University’s construction certification and construction projects exceeding the University’s construction certification will be forwarded to the State Engineer’s Office for review and procurement action. All procurements relative to this section are governed by the S.C. Procurement Code, Article 9.

The Vice President for Finance and Management is responsible for all construction related procurements, reports required by the Manual for Planning and Execution of State Permanent Improvements, obtaining permanent improvement project approvals, and is the awarding authority for construction for projects within the college’s certification limits. The Vice President for Finance and Management is responsible for signing all construction related contracts per Policies and Procedures for Contractual Agreements.
DELEGATION OF AUTHORITY

The provisions of these regulations apply to every delegation of authority by the Chief Procurement Officers or the head of a governmental body.

a.) Unauthorized Procurements: The ratification of an act obligating the State in a contract by a person without the requisite authority to do so by an appointment or delegation under the Procurement Code rests with the Division of General Services. It is prohibited for a procurement officer to ratify such acts.

(1) Ratification by a Governmental Body:
The Division of General Services hereby delegates authority to notify such acts to the head of the governmental body responsible for the person committing the act when the value of the contract is within the dollar limits designated by the Division of General Services for that governmental body.

(2) Ratification by a Governmental Body:
The Director of the Division of General Services hereby delegates authority to ratify such acts other than those applicable in Item 1 to the Materials Management Officer up to $25,000.00.

(3) Corrective Action and Liability:
In either case referred to in Items 1 and 2 above, the head of the governmental body shall prepare a written determination as to the facts and circumstances surrounding the act, what corrective action is being taken to prevent reoccurrence, action taken against the individual committing the act, and documentation that the price paid is fair and reasonable. If the price paid is unreasonable, the individual may be held pecuniary liable for the difference.
Sample Forms

**APPENDIX**

A- Quick Reference Card(On-Line)  
B- On-Line Screen 250,251,254,256  
C- Preparing Specifications Instructions  
D- Printing Specification Sheet/Cost Schedule  
E- Emergency Procurement  
F- Sole Source Procurement  
G- Purchase Requisition  
H- Vendor Complaint Form  
I- Intra Agency Agreement
SHIPPING AND RECEIVING PROCEDURES

Shipping and Receiving is a part of the South Carolina State University’s Finance and Management, Office of Procurement. Its function is to provide a central shipping and receiving location for all campus supplies, equipment and materials.

RECEIVING

Shipments are delivered by various carriers to the Shipping and Receiving Department of South Carolina State University. All Material received must be properly identified by purchase order number, accurately counted, suitably inspected and accepted by preparing the merchandise receipt form. Prior to acceptance of the shipment, the receiving clerk will ensure that the material is properly identified and that South Carolina State University is the proper consignee. The shipment must be checked against the delivery document prior to signing and all discrepancies, damages, overages or shortages will be noted and signed on the delivery document by the delivering agent.

After the item(s) has been received from the carrier and placed in the proper holding area for completion of a merchandise receipt form, each shipment is to be checked against the purchase order to identify to whom and what department the delivery is to be made. The acknowledgement copy of the purchase order is date stamped and it along with the merchandise receipt form are attached to the packages. The receiving copy of the purchase order is also date stamped.

DELIVERY

Upon delivery to departments by the driver, verification of the correctness of order received and quantity back ordered and the date of receipt is to be noted on the acknowledgement copy of the purchase order and it along with the merchandise receipt form are signed by the requesting department receiving goods. Merchandise receipt forms are filed for record keeping purposes. Acknowledgement of receipt of merchandise is entered into FRS daily by Administrative Specialist as authorized by signatures on acknowledgement copy. Purchase order copies are filed for record keeping.
purposes. Acknowledgement copies of purchase orders are stamped with a University policy concerning remittance. It states that response to deliveries must be made promptly or payments will be processed. If authorization is not received within 5 days, receipt will be entered into FRS.

Missing receipts report is checked daily by Administrative Specialist for any invoices posted to system where receipt is not entered.

Departments are contacted to determine whether items have been received. If so, authorization to pay is required by signature. If authorization to pay is not received within 10 days, the Director of Procurement Services will be advised of the outstanding invoice for administration remedy. Approval for payment is entered into FRS upon receipt of ordered items.

SHIPMENT OF PROPERTY

Departments that have items that need to be shipped off campus will be required to adhere to the following procedures:

1. Initiate a requisition through normal procedures for your office, department or school.

2. Bring the purchase order and article(s) to be shipped to the Shipping and Receiving Warehouse.

3. For return shipments, make sure all labels and markings except the return destination address has been removed. Enclose the packing slip inside the box or one of the boxes if packing slip was shipped with the article(s).

4. There is a return shipment logo to be filled out for return shipments leaving South Carolina State University. Before any packages leave the University, the entire line on the Return Shipment Log should be complete, containing the following:

   Date
   Return to Company
   Mode of Transportation
   Package ID/Tracking No.
   Pick-up driver’s Signature
   SCSU initials

5. Shipping and Receiving will make all contacts with shippers regarding articles being shipped.