

SPARTANBURG COMMUNITY COLLEGE

PURCHASING POLICIES AND PROCEDURES (Updated 04/27/2010)

TABLE OF CONTENTS

Purpose of Manual	Page 1
Ethics and Responsibility	Page 2
Purchasing Department	Page 4
Requisitioning	Page 6
Partial Shipment	Page 8
Sole Source Procurement	Page 8
SC Sales and Use Tax	Page 9
Amendment to Purchase Order	Page 9
Cancellations	Page 9
Procedures for Follow-up	Page 10
Trade-in of Equipment	Page 10
Blanket Purchase Order	Page 10
Petty Cash Purchase	Page 10
College Bookstore	Page 10
Procurement Card Purchases	Page 11
Emergency Requisitions	Page 13
Definition of "Emergency"	Page 13
Exception	Page 13
Competition Requirements	Page 14
Competitive Sealed Proposals	Page 15
Competition Requirements Exemptions	Page 15
Sealed Bids	Page 15
Receipt and Safeguarding of Bids	Page 15
Unidentified Bids	Page 15
Vendor Performance	Page 16
Delivery	Page 16
Vendor Complaint Procedures	Page 16
Unauthorized Purchases	Page 17
College Contracts or Contractual Arrangements	Page 18
Contracts Negotiation Procedures	Page 18
Forms Closet	Page 21
Consolidated Procurement Code:	
Master List of Exemptions Granted	Page 22- 39

Purpose of Manual

Purpose and Scope

The purpose of the manual is to consolidate the procedures and policies relating to the procurement of materials, supplies, equipment, and services required by the departments in their respective operations. Procedures outlined herein apply regardless of the source of funds.

Although this Manual is not intended to cover the internal operations of the Purchasing Department, certain phases of its operations are included for the purpose of clarifying procedures. All forms that are referred to in this manual are readily available through the Purchasing Department.

Ethics and Responsibility

Responsibilities of the Purchasing Department

The Purchasing Department, under the supervision of the Executive Vice President for Business Affairs, has the exclusive responsibility for supporting the educational mission of the College by procuring the materials, supplies, equipment, and services in the most efficient, economical and responsible manner possible.

Ethical Standards

Spartanburg Community College adheres to the Code of Ethics as adopted by the National Association of Educational Buyers for the Purchasing Official:

To give the first consideration to the objectives and policies of the College. To strive to obtain the maximum ultimate value of each dollar of expenditure.

To cooperate with trade and industrial associations and governmental and private agencies engaged in the promotion and development of sound business methods.

To demand honesty in sales representation, whether offered through the medium of a verbal or written statement, an advertisement or a sample of the product.

To decline personal gifts.

To grant all competitive bidders equal consideration; to regard each transaction on its own merits; to foster and promote fair, ethical, and legal trade practices.

To use only by consent original ideas and designs devised by one vendor for competitive purchase purposes.

To be willing to submit any major controversies to arbitration.

To accord a prompt and courteous reception in so far as conditions permit to all who call on legitimate business missions.

To counsel and cooperate with all organizations and individuals engaged in activities designed to enhance the development of governmental and educational purchasing.

CONFLICT OF INTEREST

Each member of the College faculty and staff should ensure that situations involving conflict of interest do not occur. Procurements may not be made from an employee of the College for any goods or services nor may procurements of any goods or services be made from any business (including but not limited to corporations and partnerships) in which a College employee or any family member residing in the same household, either individually or collectively has (have) a majority (over 50%) ownership interest.

It is the policy of Spartanburg Community College to procure goods and services through open and complete competition.

College employees, Commission members and their immediate family members are prohibited from entering into contractual relationships with the College. This shall not prohibit any of these parties from acting as a sub-contractor on any project or as a supplier to any successful bidder of any purchasing action.

For the purpose of this policy, the term immediate family includes wife, husband, mother, father, sister, brother, son, daughter, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law; brother-in-law, grandmother, grandfather, grandson, granddaughter, step-mother, and step-father.

Purchasing Department

The purpose of the Purchasing Department is to procure all commodities and services in the most efficient, economical and responsible manner. The Requisition is the most important communication between the requesting party and the Purchasing Department. It must be very specific and complete in order for the commodity or service to be received accurately. Inaccurate or incomplete requisition must be returned to the requisitioner resulting in unnecessary delays.

In accordance with the state Procurement Manual, there may be competition requirements.

Item's Costing Between:

- a. Less than \$2,500.00 does not require competition. However, the purchasing officer must insure that the price is fair and reasonable.
- b. \$2,500.01 -- \$10,000.00 requires three written quotes that can be received by verbal solicitation.
- c. \$10,000.01 -- \$100,000.00 requires formal quotes and must be advertised in South Carolina Business Opportunities, which is a publication of the state procurement office.
- d. \$100,000.01 or higher must be sent to the State Materials Management Office for processing.

When the requisition is received by Purchasing, with all required signatures, it is usually processed in one day. However, the time to receive the item(s) may be up to 30 or 60 days, so purchases should be planned accordingly. If there are any problems with a vendor, notification should be immediately sent to the Purchasing Department, which will endeavor to resolve the problem to both parties' satisfaction.

Any unauthorized purchase of a service or commodity without the approval of the purchasing department or Executive Vice President for Business Affairs can result in the individual being held responsible. Unauthorized procurements must be ratified by the President. Any cancellations, amendments or changes must be made through the Purchasing Department.

The purchasing department maintains a number of State Term Contracts for such items as Printing, Furniture, Computers, Printers, Paper Goods, etc. All purchases of these types of items are required to be bought from these contracts where possible. Items on State Term Contracts are not required to be bid. Purchase exceptions of State Term Contracts items are to be approved by the Purchasing Department.

For Emergency purchases, requisitioners need to call the purchasing office and explain the circumstances. The decision as to how the procurement will be made by the Purchasing Officer or Executive Vice President for Business Affairs. Even in an emergency, as much competition as practical shall be obtained. All emergency procurements must be approved by the President or his designee.

Blanket Purchase Orders may be established for repetitive needs for small quantities of supplies or services. Petty cash may be used for purchases up to \$25.00 and must be approved by the budget supervisor. Employees may be reimbursed for purchases up to \$50.00 using the College's Reimbursement Form.

A copy of the SC State Procurement Code is available online for reference at www.state.sc.us/mmo/codes/pcr.htm. The Purchasing Office is always available to assist in the completion of a requisition or information on purchasing a commodity or service.

REQUISITIONING

The requisition is the most important communication between the requesting party and the Purchasing Department. This document notifies the Purchasing Department that a department desires a specific item or items. It should be forwarded to the Purchasing Department sixty days in advance of an actual commodity need. Usually, it is the only document submitted; therefore, it must present specific and complete details on the commodity or service desired. It must be correct as to quantity, item(s), specifications, and delivery. The following information should be given when submitting a requisition. (Form #BA018) (These forms are available from Purchasing):

QUANTITY: Enter the amount of each requested item needed. State appropriate numeric amounts.

DESCRIPTION: This is the most critical information on the requisition form. Be sure that the generic name of the item requested is correct and that it is the name generally used by the trade or manufacturer, i.e., refrigerator, not Frigidaire. The description should be specific and complete so that the item will be easily identified. Limit features to those that are pertinent to the operation and performance desired, and which will be evaluated in making a purchase award.

UNIT: This section should be filled in with the appropriate quantity measure, i.e., each, box, case, inches, dozen, pair's weight, lbs, area mass, etc. Proper quantity measures are an identification that is vital to satisfying the order.

UNIT PRICE: Use current prices.

SUGGESTED VENDOR: If a vendor or vendors are known who can adequately supply need, place the firm's name and address in this section.

AGENCY CODING: In the section labeled "Account Number," indicate the proper budget information to which the purchase request is to be charged.

REQUESTED BY: State receiving person, department, and location for the requisitioned items.

DATE: Enter the date on which the requisition is typed or forwarded to Purchasing.

DATE NEEDED: Indicate a realistic delivery date. Specify date in the following manner - 11/12/05. Terms such as "immediately," "rush," or "ASAP" indicate either an emergency situation or poor planning.

FOR: List the department for which the item(s) are intended.

APPROVED BY: Secure the signature of the supervisor or division dean approving the requisition.

PURCHASING AGENT APPROVAL: The Purchasing Agent or Executive Vice President for Business Affairs must sign the requisition, approving the purchase; the responsibility for purchasing is with the Purchasing Department, and, therefore, that office has the obligation to assure that this agency has met all the requirements set forth by the State of South Carolina as well as internal policies.

Requisitions should be carefully reviewed before they are sent to the Purchasing Department. Two questions should be asked: (1) Could I purchase the commodity or service desired with the information given on this requisition? (2) Do the specifications or description permit reasonable competition?

ACCURACY is most important. Incomplete or inaccurate requisitions may be returned for revision. This will result in unnecessary delay and work.

Occasionally, you may find it necessary to change a requisition after it has been sent to the Purchasing Department. Requests for changes may be made but must be authorized by the Purchasing Department, which will make the decision to issue a change order or amendment, or procure through a new solicitation. All requests for changes must be made in writing.

Advertising material that will restrict the specifications to one brand should not be copied verbatim. When listing a brand name and number, observe the following policies:

1. Include both a description of the item and a manufacturer's brand and number to best ensure the purchase of the correct commodity.
2. Never use a brand name and number from a wholesaler's catalog when a manufacturer's number is available.
3. State the name of the manufacturer and the part number if available.
4. List important dimensions. Do not give the exact dimensions of a particular brand, unless these dimensions are absolutely necessary.
5. Submit the requisition to the Purchasing Office in duplicate (filled out properly with all pertinent information and bearing all required signatures).

After the requisition is received, priority is established. The "FIFO" (first in, first out) method will be used except in cases of emergencies.

Purchasing will review the requisition to ensure the proper account coding is listed and perform the required purchasing steps (bids, source of supply, commodity code, delivery

by vendor or pick-up, etc.) Purchase order is assigned and typed. Each purchase order has four (4) copies and they are distributed as follows:

1. VENDOR
2. PURCHASING
3. SHIPPING/RECEIVING
4. DEPARTMENT

The shipping/receiving department receives all orders, inspects packages for damages, documents the number of packages and the date on the receiving copy, and delivers the order intact to the requisitioner.

The requisitioner must document on the department copy that all items ordered have been received, attach packing slips, etc., and forward the department copy to the receiving department within 24 hours after delivery of supplies.

PARTIAL SHIPMENTS

The requisitioner will document on his or her department copy, any partial shipments (noting what has been received, what is backordered, etc.) and forward packing slips to the receiving department.

The Purchasing Department must be notified within 24 hours of any damages or shortages of items that were ordered.

Once all supplies and/or equipment have been received and the order is complete, the completed receiving copy will be electronically forwarded by the receiving department to the Business Office for payment of the invoice.

SOLE SOURCE PROCUREMENT

In accordance with Section 11-35-1560 of the Consolidated Procurement Code, sole source procurement is permitted when the item needed is available from only one supplier. The following are examples of circumstances that could necessitate sole source procurement:

1. the compatibility of equipment, accessories, or replacement parts is the primary consideration;
2. a sole supplier's item is needed for trial use or testing;
3. the item is one of a kind

To obtain approval for sole source procurement, the department head must complete a "Justification for Sole Source Procurement" form and forward it to the College President through the normal approval procedure for final determination and approval.

These forms may be obtained from the Purchasing Department (Form #MMO102.)

SOUTH CAROLINA SALES AND USE TAX

All Purchases, other than for categories of items exempt by law, are subject to the inclusion of the six (6) percent state sales tax as part of the cost.

Sales Tax-Exempted Items:

1. Purchased for resale by the College when the College collects the sales tax when the item(s) is sold. Purchase requisitions covering such items should bear the notation, "Tax Exempt- Purchases for Resale."
2. Purchases of services.
3. Purchase of Library books and magazines.
4. The labor portion of charges for repairs to equipment.
5. The maintenance contracts for equipment (parts not included in such contracts are taxable).
6. Rental of real property.
7. Effective July 1, 1984, the maximum tax applicable to the sale of a single motor vehicle is \$300.

AMENDMENT TO PURCHASE ORDER

An amendment to a purchase order shall be issued when the total value of the change in the purchase order exceeds \$25.00. Changes under \$25.00 will be approved and initialized on the accounting copy by the Accounting Manager.

Change orders must be approved and processed by the Purchasing Department. A requisition form is used to request a change order to the original Purchase Order. The requisition is made out to the original vendor, refers to the purchase order number and lists the changes in the body of the requisition. Amendments are issued on the original purchase order number and copies are forwarded to appropriate departments to be attached to the original copies of the purchase order.

CANCELLATIONS

If an order remains outstanding for 60 days, the Purchasing Department will contact the requesting party and verify whether the order is to be cancelled. If the order is to remain open, the Purchasing Department will proceed with written follow-up to the vendor. If the order is to be canceled, notation will be made on the department copy of the purchase order by the requisitioner and forwarded to the Purchasing Department. At this point, the Purchasing Department will notify the vendor of the cancellation.

PROCEDURE FOR FOLLOW-UP ON OUTSTANDING ORDERS

All follow-up communications dealing with outstanding orders will be made by the Purchasing Department. This will be done by using one of the following methods:

1. "Local Orders"

All local orders will be followed up monthly from date of issue. This will be done by telephone. Documentation of the conversation will be filed with the purchasing copy.

2. "Out-of-Town" and/or "Out-of-State Orders"

All out-of-town and/or out-of-state orders will be followed up monthly. This follow-up will be done in writing, or, if necessary, by telephone. Documentation will be filed with the purchasing document.

TRADE-IN OF EQUIPMENT

Accountable equipment that is outmoded and/or in poor operating condition may be used as a down payment on new, up-to-date equipment with prior approval. Prior to any such transaction, the State Equipment Manager's office must be notified of the intent, using the Industrial Division Form No. 1 (Report of Survey & Inventory Adjustment Report) for final approval. The transaction is not approved until the State Equipment Manager approves it.

BLANKET PURCHASE ORDERS

A Blanket, or Standing, Purchase Agreement may be issued for repetitive needs for small quantities of supplies or services. Blanket Purchase Agreements are designed to reduce administrative costs for small purchases by eliminating the need for issuing individual purchase documents.

PETTY CASH PURCHASE

The use of the petty cash fund is for reimbursements for small operational expenses. A single reimbursement shall not exceed \$25.00. To obtain reimbursement, the requester must staple the original purchase receipt or similar documentation to a completed and signed "Petty Cash Voucher". The voucher may be obtained from the Business Office.

COLLEGE BOOKSTORE

Many of the expendable supplies that are used on a regular basis by college personnel shall be purchased from the College Bookstore. Departments may charge the selected items to their department by providing the Bookstore cashier their account number.

PROCUREMENT CARD PURCHASES

The Purchasing Card is a VISA credit card issued by Bank of America, who has contracted with the State of South Carolina to issue purchasing cards to colleges and universities. The card allows selected **permanent** employees to purchase and pay for supplies they normally use, up to a maximum dollar amount of \$500 per transaction and \$2,500 per month.

The card is issued in the name of the employee and Spartanburg Community College. It is a corporate charge card and does not affect the Cardholder's personal credit. It works just like a personal credit card, except the College pays for charges made to the card. The Cardholder is expected to use the card responsibly and to safeguard the Purchasing Card in the same manner as a personal credit card.

The card is to be used for **legitimate business** purposes only. The college adheres to State guidelines which require that certain types of vendors be blocked from Purchasing Card use, and transactions at these vendors will be blocked at the point of sale. (Some obvious blocked vendors are: bars, dance halls, billiard establishments, etc.) It can be used to pay travel expenses, such as conference registration fees, car rentals, airline tickets, but **not** meals. Anything that you normally use, and have had permission to purchase in the past, can be purchased with this card. Cardholders are required to obtain verification for every purchase (i.e. sales slip, register receipt, copy of "shopping cart" or order, etc.)

A default account number and object code is assigned to each card. Charges to the card will automatically default to the account number and object code assigned to the card.

An Account Supervisor is assigned for each Cardholder. The Account Supervisor is responsible for proper use of the Purchasing Card by Cardholders assigned to them. They collect from the Cardholder verification for all charges made to the Purchasing Card, e.g., sales slips, register receipts, credit slips, copy of "shopping cart" or order verification for on-line purchases, etc. At the end of each month, the Account Supervisor reviews the Cardholder's reconciliation his/her VISA statement assuring purchase receipts for each bank charge, verifying the account number, and making sure appropriate sales tax has been paid on each purchase. If a particular purchase should be charged to other than the default account/object code, the Account Supervisor will change it to the correct accounting code. If sales tax is required and has not been paid, the Account Supervisor will add correct tax for the transaction on the reconciliation form. Cardholders and Account Supervisors are required to attend a training session to discuss recordkeeping requirements and reconciliation procedures before cards are issued.

Purchasing Card accounts are audited by a member of the compliance team on a monthly basis from the standpoint of both Cardholder and Account Supervisor responsibilities relating to use of the card.

Cardholders are required to read the Cardholder Manual and meet with the Program Administrator to go over responsibilities for card security and accountability, as well as disciplinary measures for failure to comply with program guidelines. They are required to sign for the card before it will be released for their use.

For more information about this program, a copy of the Purchasing Card Procedure III-10.22 is available in Spartanburg Community College's Public Folders.

EMERGENCY REQUISITIONS

Certain emergency situations require immediate action and procurement of goods or services. When situations like these arise, contact the Purchasing Department and explain the situation. If the Purchasing Department concurs that the need is valid, a purchase order number will be given over the telephone or transmitted by e-mail. The person requesting an “emergency” purchase order will forward a properly filled out and signed requisition to the Purchasing Department by the close of the next business day.

An Emergency Procurement Form (#MMO-103) shall be completed by the requesting individual, then submitted to the President of the College or designee for signature approval.

<http://www.mmo.sc.gov/MMO/MMO-forms-publications.phtm>

DEFINITION OF “EMERGENCY”

An emergency condition is a situation which creates a threat to public health, welfare, or safety such as may arise by reason due to acts of God, epidemics, riots, equipment failure, fire loss or such other reasons as may be proclaimed by either the Chief Procurement Officer or the head of a purchasing agency or a designee. The existence of such conditions must create an immediate and serious need for supplies, services, information technology or construction that cannot be met through normal procurement methods and the lack of which would seriously threaten:

- (1) the function of the college
- (2) the preservation or protection of college property
- (3) the health or safety of any person
and
- (4) The situation would not have been prevented by a reasonable amount of planning and anticipation.

In the event the criteria are not satisfied, the Purchasing Manager will refer the request to the Executive Vice President for Business Affairs for a decision. In the event that the Executive Vice President is unavailable, the Purchasing Manager will render a decision and will subsequently inform the Executive Vice President.

EXCEPTION

In the event the “emergency” occurs after normal working hours or on week-ends or holidays, the Superintendent of Buildings and Grounds or his delegate is authorized to make the necessary purchase in order to resolve the “emergency.”

Whenever possible, with all facts considered, competition will be sought for the “emergency” purchase.

The Superintendent of Buildings & Grounds will, on the next business day, provide the Purchasing Department with the documentation that the occurrence met the three criteria necessary for an “emergency.” In the event that the criteria are not met, in the opinion of the Purchasing Manager, then the Executive Vice President for Business Affairs will be informed.

COMPETITION REQUIREMENTS

The College’s policy is to obtain goods and services of acceptable quality at the lowest possible cost (including internal processing, shipping, and all other related costs). The following procedures are designed to apply to all goods and services, regardless of anticipated cost. Normally, the Purchasing Officer will solicit prices after receiving the requisition, if quotes are required.

The procedures listed below are to be used for soliciting prices:

1. A purchase with a value of less than \$2,500.00 may be made without securing competitive quotations if the price is considered to be reasonable. The Purchasing Officer shall annotate the purchase requisition “Price is fair and reasonable” and sign. These purchases must be distributed equitably among qualified suppliers. When practical, a quotation must be solicited from other than the previous supplier before placing a repeat order. The administrative cost of verifying the reasonableness of the price of purchase may more than offset any potential savings in detecting instances of overpricing. Action to verify the reasonableness of the price needs be taken only when the procurement officer suspects the price may not be reasonable by comparison to previous price paid or personal knowledge of the item involved.
2. Purchases from \$2500.01 to \$10,000.00: Solicitation of written quotations from a minimum of three qualified sources shall be made and documented. The documentation shall be attached to the purchase requisition. When prices are solicited by telephone, the vendors shall be requested to furnish written evidence of their quotations. The award must be made to the lowest responsive and responsible bidder.
3. Purchases from \$10,000.01 to \$50,000.00: Written solicitation for written quotes from a minimum of five qualified sources must be made. The procurement must be advertised at least once in the **South Carolina Business Opportunities** publication. A copy of the written solicitation and written quotes must be attached

to the purchase requisition. The award must be made to the lowest responsive and responsible source.

If the minimum number of qualified bidders required under the competition requirement cannot be solicited, the chief procurement officer or the President of Spartanburg Community College must certify, in writing, that all known sources were solicited before the purchase can be authorized.

Bidders not responding to three consecutive bid requests will be placed on “inactive status”. They will not be considered for any other bids until they re-apply to the Purchasing Department for reinstatement to the active bidders’ list.

A purchase in excess of \$50,000.01: Generally, these are sent to State Purchasing for processing with the exception of term contract items or services.

“Term contract” means a contract established by the state chief procurement officer for a specific product or service for a specified time and for which it is mandatory that all state government bodies procure their requirements for the product and/or service during its term. If the College is offered a product or service at a price that is at least ten percent less than the term contract price for the same product or service, it may purchase the item(s) from the vendor offering the lower price after first offering the vendor holding the term contract the option to meet the lower price. If the vendor holding the term contract meets the lower price, then the College must purchase from the contract vendor. A term contract may be a multi-term contract as provided in Section 11-35-2130.

COMPETITIVE SEALED PROPOSALS

If the use of sealed bids is not appropriate, then a request for proposal may be used. Competitive sealed proposals are employed when the desired item(s) is complex in nature and does not lend itself to a formal competitive sealed bid. Justification for a Competitive Sealed Proposal Form, justifying why it was necessary to use this process must be completed and signed by the President of the College.

Competition Requirements Exemptions

Sealed Bids

Receipt and Safeguarding of Bids

All bids (including modifications) received prior to the time of opening shall be kept secure and, with the exception of unidentified bids, unopened in a locked file in the Purchasing Office. If an invitation for bids is cancelled, bids shall be returned to the bidders. When bid samples are submitted, they shall be handled with sufficient care to prevent disclosure of characteristics before bid opening.

Unidentified Bids

Unidentified bids may be opened solely for the purpose of identification, and then only by the Purchasing Officer or his designee. If a sealed bid is opened by mistake, the person who opens the bid will immediately write his/her signature and College position on the envelope and deliver it to the Purchasing Officer. The Purchasing Officer shall immediately write on the envelope an explanation of the opening, the date and time opened, the Invitation for Bids' number, and his/her signature, and then shall immediately reseal the envelope.

Vendor Performance

DELIVERY

All deliveries shall be made to points specified in the Invitation for Bid and on the purchase order. The vendor will pay all charges for delivery to the location at the College. Even if the contract document specifies "prices F.O.B., shipping point", the vendor must prepay all transportation charges to the consignee. The vendor may then bill the College for reimbursement of the cost of transportation from the F.O.B. point to the delivery point, enclosing the receipted freight bill with the invoice for items shipped.

A vendor is in default if they:

- fail to make deliveries within the time specified in the contract
- deliver material that does not conform with samples or specifications and does not promptly replace the material
- deliver goods or materials which are repeatedly rejected
- mislabel or misrepresent material which they are asked to deliver

In the event of default by a vendor, the College will take such action against the bidder as is required by law. If the vendor does not deliver all the items described in the purchase order, or if he delivers only a portion of one item, the invoice should be marked clearly "partial delivery". The College may make partial payments on separate deliveries or hold all invoices for partial deliveries until final delivery is completed.

VENDOR COMPLAINT PROCEDURES

1. Complaints about vendors:

Complaints should be sent to the Purchasing Department in writing. All complaints will be fully investigated. A phone call to the vendor by the Purchasing Agent often will clarify the problem. However, if it does not, a State Complaint Form will be initiated to solve the problem.

2. Complaints by Vendors

Verbal complaints will be resolved informally. Written complaints will be handled in accordance with the 1976 South Carolina Code of Law, Title II, Chapter 35 Article 17. This article contains the basis for processing and resolving any and all protests by vendors/contractors. These procedures apply in three areas:

- a. Protests of solicitation or award
- b. Debarment or suspension
- c. Contract or a breach of contract controversies

All protests relating to procurement activities that cannot be resolved by the Purchasing Manager will be referred to the Executive Vice President for Business Affairs for further action.

UNAUTHORIZED PURCHASES

Any purchase of a service or commodity made by anyone without a purchase order or approval of the Purchasing Department or Executive Vice President for Business Affairs will be classified as an unauthorized purchase and will not be ratified by the Purchasing Department with the exception of “emergency purchases” (See Emergency Requisitions).

Item 1. Ratification by the College. The Division of General Services hereby delegates authority to ratify such acts to the President of the College, when the value of the contract is within the dollar limits designated by the Division of General Services. SCC authorization is \$50,000.00.

Item 2. Ratification by the Materials Management Officer. The Director of the Division of General Services hereby delegate’s authority to ratify such acts other than those applicable in Item 1 above to the Materials Management State Procurement Officer.

Item 3. Corrective Action and Liability. In either case referred to in Items 1 and 2 above, the President of the College shall prepare a written determination as to the facts and circumstances surrounding the act, what corrective action is being taken to prevent re-occurrence, action taken against the individual committing the act, and documentation that the price is fair and reasonable. If the price is unreasonable, the individual may be held pecuniary liable for the difference.

COLLEGE CONTRACTS OR CONTRACTUAL ARRANGEMENTS

Contracts or Contractual Arrangements

College contracts or contractual arrangements are defined as binding agreements based upon the genuine assent of two or more parties to perform a service or provide a product under established conditions for defined consideration.

In evaluation of this definition, it becomes apparent that contract negotiation is an exact process where defined conditions and compensations are established to formulate a binding agreement. This is an important process where the college obligates itself legally to compensate a vendor for services rendered or products received.

All contracts or contractual agreements for service, products, professional consultation, lease, or lease-purchase must flow through the Purchasing Department prior to execution. The Purchasing Department will perform the required solicitation of bids and verification of contract form, content, or conditions and will route documentation to the appropriate authority (Executive Vice President for Business Affairs) for approval.

The Purchasing Department staff will solicit the participation of the user of the service or product in the development of terms and conditions. The monitoring of service and payment authorization is also the responsibility of the user of the service and/or products. The Purchasing Department's role is to coordinate the user's need with the appropriate provider in an explicit and binding manner.

Contract Negotiation Procedures

Departments or divisions that desire to enter into a contractual arrangement must submit a requisition to the Purchasing Department.

The requisition must define the nature of the service or description of the product or identify the professional service to be rendered. Frequency of service, amount or quantity, desired time of service, length of contract, mode of payment, or any other variable that defines or differentiates the service or product must be indicated.

If the requesting party is not sure of requirements or conditions of a contract, he or she may request a vendor to submit a written proposal or establish an appointment to develop or explain services offered. Upon development of the requirements or specifications, forward this information with the requisition to the Purchasing Department. DO NOT obligate the College to a contract at this time. The firm assisting with the specification development will be given the opportunity to bid the contract, provided no fee is paid for the service performed.

Upon the receipt of request for contractual service or term contract for products, the Purchasing Department will perform the required procedure to satisfy College and State guidelines or regulations.

The Purchasing Department will be in contact with the requesting party or division to develop the final terms or conditions of the contract. Funding limitations, monitoring procedures, contract personnel, site visits, and bonding or insurance conditions must be established prior to bid invitation.

Procurement methods will vary and are contingent upon the nature of the contract, the level of competition, and the cost. Required lead time for contract development shall be a minimum of sixty days prior to actual need. The College contract cannot be negotiated for a period in excess of one year or a period which exceeds a fiscal year. The College cannot be obligated beyond the fiscal year because of unknown funding availability from fiscal year to fiscal year.

In some extreme situations, contracts can be negotiated for more than one year, provided there is a funding-out clause in the contract.

Contracts will be negotiated from fiscal year to fiscal year but will contain an option out clause. Options can be exercised when funding is known and when the terms and cost conditions of the contract remain unchanged.

The actual contract will commence when all required procurement methods are completed. The contract will exist for a specific time period at an established cost for a defined purpose or product.

Contracts must be renewed or renegotiated each year. Do not assume a continuation of service or product availability without receiving formal authorization from the Purchasing Department.

The Purchasing Department and Business Office must have a written formal contract and purchase order which meet required guidelines in order to pay invoices. If an invoice is received that does not match a formal contract in our files, then payment will not be made to the vendor.

Contract users must validate service or product receipt. Upon approval, the Business Office will process payment. Contract users must provide constant observation and

inspection of products and/or services to insure contract compliance. Contract users must send immediately in writing to the Purchasing Department, any deviation or break in service. This information will be forwarded to the Business Office where adjustments in payments for services not rendered will be made. The Purchasing Department will notify other appropriate parties of contract irregularities and seek remedies. All contracts have cancellation clauses which will be exercised when a serious breach occurs.

Contracts approved by the Purchasing Department can be cancelled only by that department. Several formal steps must be taken to invalidate a contract. Formal notice will be given the user when a contract becomes null and void. This process will take place with the consent and approval of the contract user.

Contract renegotiation will begin 90 days prior to existing contract expiration date. The Purchasing Department staff will be in contact with the contract user to notify him or her of the expiration date. Alternate methods should be considered prior to a contract entry (expansion of existing college services, warehousing, and utilization of college professional staff). Contracts should not be initiated for service if adequate staff or functional service is available in the college or requesting department. Convenience must be measured by cost benefit of utilization of existing staff. In the event a contract is terminated, the vendor will be notified 30 days in advance of expiration.

Changes in the contract terms, if needed, will be developed at this renegotiation time. (Increase or decrease in frequency, type of service requirements, expanded service, upgrade in quality, etc., will be considered). Upon the user's approval of the contract details and any changes, the Purchasing Department will perform the required steps to comply with College and State regulations resulting in awarding of the contract.

Forms Closet

The forms listed in this section must be completed and signed by the appropriate person(s) and sent to the purchasing manager for processing before any action can be taken or procurements made.

All forms listed are available from the Purchasing Department.

- Requisition
- Purchase Order
- Complaint Report
- Justification for Sole Source Procurement
- Justification for Emergency Procurement
- Record of Emergency Contracts

Consolidated Procurement Code Master List of Exemptions Granted

- | | | |
|----------|-----|--|
| 07/30/81 | 1. | The Construction, maintenance and repair of bridges, highways and roads; vehicle and road equipment maintenance and repair; and any other emergency type parts or equipment utilized by the Department of Highways and Public Transportation. |
| 07/30/81 | 2. | The purchase of raw materials by the South Carolina Department of Corrections, Division of Prison Industries. |
| 07/30/81 | 3. | South Carolina State Ports Authority. |
| 07/30/81 | 4. | South Carolina Public Railways Commission. |
| 07/30/81 | 5. | South Carolina Public Service Authority. |
| 07/30/81 | 6. | Expenditure of funds at State institutions of higher learning derived wholly from athletic or other student contests, from the activities of student organizations, and from the operation of canteens and bookstores, except as such funds are used for the procurement of construction, architect-engineer, construction-management, and land surveying services. |
| 07/30/81 | 7. | Livestock, feed and veterinary supplies. |
| 07/30/81 | 8. | Articles for commercial sale by all governmental bodies. |
| 07/30/81 | 9. | Fresh fruits, vegetables, meats, fish, milk, and eggs. |
| 07/30/81 | 10. | South Carolina Arts Commission and South Carolina Museum Commission for the purchase of one-of-a-kind items such as paintings, antiques, sculptures, and similar objects. Before any governmental body procures any such objects, the head of the purchasing agency shall prepare a written determination specifying the need for such objects and the benefits to the State. South Carolina Arts Commission shall review such determination and forward a recommendation to the Board for approval. |

NOTE: Regulation 19-445.2010(B) further clarified this exemption in the

following respect:

Before any governmental body procures any art objects such as paintings, antiques, sculptures, or similar objects above \$200.00, the head of the governmental body shall prepare a written determination specifying the need for such objects and benefits to the State. The South Carolina Arts Commission acting on behalf of the Board shall have the responsibility to review such determination for approval prior to any acquisition. The 1985/86 Appropriations Act increased this limit to \$500.00. The 1996/97 Appropriations Act increased this limit to \$1,000.00

- 07/30/81 11. Published books, periodicals, and technical pamphlets.
- 07/30/81 12. South Carolina Aeronautics Commission from the provision of Section 11-35-1520 of the Code in the procurement of maintenance services for aircraft.
- 02/25/82 13. Postage.
- 03/23/82 14. Granted special exemption provided in Section 11-35-710 of the Consolidated Procurement Code to the Wildlife and Marine Resources Department to allow that department to dispose of the research vessel "Atlantic Sun" declared to be surplus property and authorized the application of funds received from this sale toward modifying, redesigning, and equipping the "Lady Lisa" as a research vessel, paying Colleton County for storage of the "Lady Lisa", paying the cost of selling the "Atlantic Sun", with any remaining funds to be deposited in the general fund on the condition that the Department of Wildlife and Marine Resources report back to the Board on the results of this transaction.
- 04/27/82 15. Invoices for gas and electricity, water and sewer services provided by public utilities subject to rate regulation by the Public Service Commission.
- 04/27/82 16. U.S. Post Office box rentals.
- 04/27/82 17. Copyrighted education films, filmstrips, slides, and transparencies.
NOTE: See 05/10/94 modification also.
- 04/27/82 18. Oil company credit card purchase for gas, oil, and jet fuel charges only.
- 04/27/82 19. 04/27/82 04/26/83 04/27/82
Professional dues and registration and membership fees.
- 05/11/82 20. Raw materials and related supplies to be exclusively used in the production of a finished product by clients for the Department of

Vocational Rehabilitation on a contract basis with industry

- 07/13/82 21. Attorneys, subject to approval by the Attorney General's Office
(See Note 1)
- 07/13/82 22. Certified public accountants and public accountants engaged to perform financial and/or compliance audits, subject to approval by the State Auditor's Office, with actuarial audits and other accounting services to be procured under the terms of the Consolidated Procurement Code.
(See Note 1)
- 07/13/82 23. Hospital and medical clinic services. **(See Note 1)**
- 07/13/82 24. Medical doctors. **(See Note 1)**
- 07/13/82 25. Optometrists. **(See Note 1)**
- 07/13/82 26. Dentists. **(See Note 1)**
- 07/13/82 27. Registered nurses. **(See Note 1)**
- 07/13/82 28. Licensed practical nurses. **(See Note 1)**
- 07/13/82 29. Psychiatrists. **(See Note 1)**
- 07/13/82 30. Investment counselors. **(See Note 1)**
- 07/13/82 31. Clergy. **(See Note 1)**
- 07/13/82 32. Court reporters. **(See Note 1)**
- 07/13/82 33. Expert witness services. **(See Note 1)**
- 08/04/82 34. Furniture refurbishing services of the Department of Corrections.
- 08/24/82 35. Services and/or supplies provided by the Division of General Services to public procurement units.
- 08/24/82 36. Printed examination forms used in the administration of state licensing examinations.
NOTE: See 8/26/93 modification also.

- 08/24/82 37. Expenditure of funds by the Department of Corrections derived wholly from its canteen operations.
- 08/24/82 38. Expenditure of funds by the Office of State Treasurer in the issuance of bonds to include printing costs and any fees associated with any bond issuance.
- 08/24/82 39. Fuel oil and diesel oil (The \$2,500 limit is waived; however, competition should be obtained whenever possible). **(See Note 1)**
- 08/24/82 40. Contracts between the Insurance Reserve Fund and insurers and reinsurers for primary and reinsurance coverage.
- 09/14/82 41. Actuaries. **(See Note 1)**
- 09/14/82 42. Certified the State Personnel Division to competitively solicit and enter into consultant service contracts related to employee insurance programs with a \$55,000 certification limit in any yearly period, pursuant to the authority in Section 11-35-1210 of the Consolidated Procurement Code (an increase from \$35,000).
- 12/17/82 43. Professional artists utilized by the South Carolina Arts Commission. **(See Note 2)**
- 12/20/82 44. Granted an exemption from the provisions of the Consolidated Procurement Code to Francis Marion College for purchases of office and other supply items from the College Bookstore by departments of the College, on the condition that the sales of such supplies to other departments of the College under this exemption not exceed 5% of total bookstore sales or \$30,000, whichever is less, in any fiscal year, and, further, on the condition that this exemption be effective for the same two-year period for which Francis Marion College is certified by the Board to make purchases above \$2,500, as recommended by the Division of General Services in accord with the requirements of the Procurement Code Section 11-35-710.
- 01/11/83 45. Doctors of osteopathy. **(See Note 1)**
- 03/08/83 46. Instructional training seminars offered by governmental bodies to state employees on a registration fee basis and those contractual consultant services necessary to provide the professional instruction for the seminars.
- 03/22/83 47. Physical therapists and physical therapy assistance. (See Note 1)
- 03/22/83 48. Speech pathologists. **(See Note 1)**

- 05/10/83 49. Occupational therapists. **(See Note 1)**
- 09/13/83 50. Veterinary services customarily obtained on a fee basis rather than by competitive solicitation. **(See Note 1)**
- 09/13/83 51. Health and Human Services Commission when placing funds with recipients as defined in Section 11-35-310(18) of the Code, in administering Title XIX of the Social Security Act (Medicaid), including early periodic screening, diagnostic and treatment program, community long-term care system, and social services block grant program, provided that recipients receiving such funds shall follow the requirements of the Code in the expenditure of such funds.
- 09/21/83 52. Every expenditure of funds by the South Carolina Research Authority under contract for supplies, construction, and services, as defined in Code Section 11-35-310(7), (8), (26), (28).
- 12/20/83 53. All expenditures paid from the Tokyo office operated by the Development Board, the Ports Authority, and the Department of Agriculture.
- 06/27/84 54. The Department of Mental Retardation's \$500,000 emergency purchase of hepatitis B vaccine from their annual limit for the procurement of pharmaceuticals on contract.
- 08/14/84 55. The Board authorized an exception to the Procurement Code process under which the Division of Information Resource Management is to determine the most advantageous service provider of long distance telecommunications service with the approved filings of the Public Service Commission and the FCC to represent the established lowest responding rates available to the State.
- 11/05/84 56. The Board delegated to the Division of General Services the authority to exempt contracts between State government agencies and for supplies and services provided a cost justification is submitted to the Division in advance.
NOTE: See amendment dated 03/22/94.
- 02/28/85 57. The purchase or continued lease of embedded telephone systems when approved by Information Resource Management as being advantageous to the State.
- 03/12/85 58. Appraisers. **(See Note 1)**
- 06/25/85 59. Health maintenance organizations (HMO'S).
- 07/01/85 60. Expenditures made for the various commodities Boards of the

Department of Agriculture. (Ref. 1985/86 Appropriations Act, Part I, Section 63).

- 08/27/85 61. Historical artifacts, weapons, flags, firearms, etc., which are rare and reasonably priced in the judgment of the Confederate Relic Room and Museum staff.
- 10/09/85 62. Community Mental Health Centers from the requirements of Part II, Section 5 of the 1985/86 Appropriations Act. The exemption applied to the transaction by the Catawba Mental Health Center involving the sale of property at 311 Elm Street in Lancaster to Richland L. McKinney and Herbert McKinney for \$18,000.
- 10/09/85 63. Upholstering supplies and services procured by the Governor's Mansion Complex.
- 10/22/85 64. The State Housing Authority from the requirements of Part II, Section 5 of the 1985/86 Appropriations Act relating to the approval and recording of real property transactions.
- 10/22/85 65. All governmental bodies from the real property leasing procedure requirements of Part II, Section 5 of the 1985/86 Appropriations Act in the leasing of the following types of real property:
- State-owned student housing/dorm space;
 - Parking spaces in State-owned garages or lots;
 - State-owned lecture halls, theatres, coliseums, athletic areas, recreation areas and other areas for periods of less than seven days;
 - Non-State-owned real property
 - (a) for less than 3 months in a single fiscal year; or
 - (b) for a total cost of less than \$5,000 in a single fiscal year;
 - State-owned box or other seats.
- 10/22/85 66. The following governmental bodies from the real property leasing procedure requirements of Part II, Section 5 of the 1985/86 Appropriations Act in the leasing of the following types of real property:
Department of Agriculture: State-owned farmers' market.
Highways and Public Transportation: lands for maintenance and construction purposes.
Community Mental Health Centers
Department of Corrections: farm lands

Mental Retardation: farm lands
Forestry Commission: forest lands
PRT: State parks and recreation lands
Wildlife Department: game management areas

- 12/17/85 67. The financing arrangements of a contract to acquire telecommunications. Authorized Ted L. Lightle, Director of the Division of Information Resource Management, to execute an agreement for such an acquisition on behalf of the State.
- 01/16/86 68. The Governors' Mansion Committee from the requirements of the Procurement Code concerning matters of interior design for the three houses in the Governors' Mansion Complex and the Old Town House at Charles Towne Landing and exempted donated labor and materials on these facilities notwithstanding any other provisions of the law.
- 02/27/86 69. Any acquisition required to implement the Generally Accepted Accounting Principles (GAAP) conversion project.
- 02/27/86 70. All procurements and sales by the Clarks Hill Russell Authority under its October, 1984 Little River project master plan, as recommended by the Division of General Services, after agreeing that (1) periodic audits of such procurements and sales would be conducted by the Division of General Services; (2) the State Treasurers' Office would follow closely the implementation of the project; and (3) that periodic reports on the project would be presented to the Board.
- 03/11/86 71. The financing provisions of lease/purchase contracts entered into by Winthrop College, the College of Charleston, DHEC and the University of South Carolina with First Union Corporation.
- 03/25/86 72. The financing provisions of lease/purchase contracts and other debt and banking functions of the State Treasurer's Office.
- 04/08/86 73. The Research Authority from the requirements of Part II, Section 5 of the 1985-86 Appropriations Act (Code Section 1-11-65). This exempts them from approval of the Board for real estate transactions.
- 04/22/86 74. Animals acquired for specific or general research, testing or experimentation.
- 04/22/86 75. Advertisements in professional journals or publications.
- 04/22/86 76. Advertising time or space in newspapers, radio or television. (**Note:** Consultants obtained to handle advertising campaigns for agencies such as PRT and State Development Board are not exempted.)

- 04/22/86 77. Expenses of evaluation committees required for institutions of higher learning in order to maintain accreditation (i.e., Southern Association of Colleges and Schools).
- 04/22/86 78. License agreements for computer software after such software has been competitively bid as required by the Procurement Code.
- 05/13/86 79. The acquisition of all local and long-distance telecommunications service for or on behalf of the State of South Carolina from the requirement that they be purchased through the respective chief procurement officer's area of responsibility, and authorized the Division of Information Resource Management to secure such telecommunications services upon such terms and conditions as are regarded by it to be appropriate.
- 05/27/86 80. Clarified the exemption under Section 11-35-710 to exclude late payment charges under Section 11-35-45 effective July 1, 1986 thereby allowing public utilities to assess late payment charges under their respective tariffs as approved by the South Carolina Public Service Commission.
- 07/15/86 81. Clemson University real estate transactions involving any real estate that is part of the Agriculture Experiment Stations or other lands deeded to Clemson University by the federal government and held for agriculture and forestry research purposes from the requirements of the Board's surplus property disposal procedures, but did not exempt the transactions from the requirements of Code Section 1-11-65.
- 07/29/86 82. Service provider contracts awarded by the Health and Human Services Finance Commission funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select a provider. (In order to be eligible for this exemption, the procurement must meet the following requirements: (1) the service must be Medicaid eligible, (2) the provider of service must be recognized by the Department of Health and Human Services as qualified to provide the requested service, (3) the client must be eligible to received Medicaid services, and (4) the service must be provided under the Federal Title XIX Freedom of Choice requirements.)
- 01/06/87 83. Approved a request by the Division of General Services to exempt the transaction under which Club Sertoma of South Carolina, Inc., will donate a swimming pool and bath house to Clemson University (Camp Hope), pursuant to Code Section 11-35-710.

- 03/24/87 84. Under authority granted to the Board in Section 11-35-710, exempted from Section 11-35-45 late payment charges from regulated companies providing telecommunication services to State agencies thereby allowing public utilities to assess late payment charges under their respective tariffs as approved by the South Carolina Public Service Commission effective for late payment charges arising from services rendered after July 1, 1987.
- 07/14/87 85. Exempted tuition paid to all institutions of higher learning from certain requirements of the Procurement Code in accordance with Code Section 11-35-710.
- 01/22/88 86. In accord with Code Section 11-35-710, exempted procurements of US Department of Education certified National Diffusion Network programs and related costs to include materials and those contractual consultant services necessary to provide the professional instruction.
- 01/08/88 87. The acquisition of all local and long-distance telecommunications equipment and maintenance and other services procured under the terms of the Settlement Agreement entitled "Agreement between the South Carolina Budget and Control Board and AT&T", approved by the Budget and Control Board on March 8, 1988, in settlement of the case of AT&T Information Systems, Inc. v. The State Budget and Control Board, an agency of the State of South Carolina, 87-CP-40-0876.
- 06/28/88 88. In accord with Section 11-35-710, exempted from the requirements of the Procurement Code procurement of pharmacy services by the South Carolina Retirement Systems under the prescription drug card program where retirement system members have freedom of choice to select from among participating pharmacies.
- 06/28/88 89. With regard to property reinsurance bids, after it was advised that the Procurement Review Panel had concluded, in response to a protest, that the Brown agency bid is non-responsive and agreed to exercise the exemption granted to the Insurance Reserve Fund on August 24, 1982, from requirements of the Procurement Code and thereby exempted the 1988 property reinsurance bids from those requirements.
- 09/13/88 90. In accord with Code Section 11-35-710, exempted the donation of a memorial structure to Clemson University by the Class of 1939.
- 11/30/88 91. In accord with Section 11-35-710, exempted the Patriot's Point Development Authority from the requirements of the Procurement Code (a) in the selection of a developer to continue construction of a marina and hotel and (b) in the hiring of a construction financial advisor.
- 12/13/88 92. In accord with Code Section 11-35-710, approved an exemption from

procurement procedures for the acquisition process for conference facilities, on the condition that staff implements guidelines for the process designed to result in a greater geographic spread of conference sites in-State.

- 03/28/89 93. Approved self-insurance of the school bus program by the Insurance Reserve Fund; and granted an exemption under Section 11-35-710 for a contract with the existing claims service provider for 12 months during the transition, with a new claims service contract to be bid within six months of the effective date of the contract.
- 04/25/89 94. In accord with Code Section 11-35-710, exempted the Patriots Point Development Authority from the requirements of the Procurement Code for its food concession and public relations contracts until August 1, 1989.
- 06/05/89 95. Exempted from the requirements of the Procurement Code the Medical University acquisition of a building in the Charleston Research Park; charged the Division of General Services and the Medical University with the responsibility of negotiating the most cost-effective contract, which may involve a lease/purchase, for biomedical research facility in the Charleston Research Park; and directed staff to report back to the Board on the cost comparisons.
- 07/18/89 96. In accord with Code Section 11-35-710, extended the exemption of the Patriots Point Development Authority from the requirements of the Procurement Code for the food concession and public relations contracts until January 1, 1990.
a) On 3/13/90, this was extended to 9/1/90.
b) On 9/12/90, this was extended again.
- 09/12/89 97. Approved an agreement and a lease between Duke Power Company and the Department of Parks, Recreation and Tourism for the proposed 622-acre Devil's Fork State Park and exempted this transaction from the requirements of the Procurement Code.
- 12/20/89 98. In accord with Code Section 11-35-710, as recommended by the Division of General Services, approved the following exemptions from the purchasing policies and procedures of the Procurement Code:

(a) the following medical items invasive to the human body which would be selected by a patient and doctor: implants, grafts, pacemakers, heart valves, joint replacements, organs, tissue, blood and blood components; and

(b) the following State Development Board procurements: all procurements paid from the Frankfurt, West Germany office for the use of

that office; leases for office space in foreign countries; and all part-time international business consultants who represent the State of South Carolina in foreign countries.

- 01/29/90 99. Approved a study of the appeal process and related matters associated with the Division of State Fire Marshal and the Fire Marshal Appeal Panel, and to expedite the study completion, exempted the contract to be involved from the requirements of the Procurement Code.
- 06/27/90 100. Approved an increase in the exemption level for commercial leases. Effective immediately, commercial leases, that is, lease of non-state owned property, which commit less than \$10,000 in a single fiscal year are not subject to the lease procurement process. However, agencies must report these exempt leases to the Division of General Services Property Management by copy of the executed lease document. This exemption level was \$5,000. This grants to agencies more responsibility for the negotiation of lower cost leases and, hopefully, makes the process more expeditious.
- 08/14/90 101. Exempted the Commission on Higher Education procurement of consultants for evaluations of academic programs from the requirements of the Procurement Code, provided the Commission follows procedures approved by the Division of General Services.
- 09/12/90 102. In accord with Code Section 11-35-710, granted an extension to the Patriots Point Development Authority exemption from the requirements of the Procurement Code for food concession and public relations contracts.
- 11/21/90 103. Granted an exemption from the requirements of Code Section 11-35-710 to permit Clemson University to enter into an agreement by which an anonymous donor will provide for the construction of a horse research facility on land owned by Clemson University.
- 02/12/91 104. Granted an exemption (not including State appropriated funds) from the purchasing procedures of the expenditure of private sector donations by the Development Board used to sponsor special marketing events.
- 06/11/91 105. In accord with Code Section 11-35-710, exempted from the purchasing procedures of the Consolidated Procurement Code and the Chief Procurement Officer's areas of responsibility all procurement activity relating to the development and construction of facilities needed for locating Ebasco Services, Inc., in Aiken, as requested by the Savannah Valley Authority.
- 07/17/91 106. Exempted from the requirements of the Consolidated Procurement Code the Labor Department employment of consulting engineers to examine the Charleston industrial explosion.

- 07/17/91 107. In accord with Code Section 11-35-710, exempted from the purchasing procedure of the Consolidated Procurement Code the following, as requested by the State Museum Commission; (a) historical artifacts, to include both current, specific items and objects of future historical significance; (b) scientific specimens, to include study skins, skeletal mounts, taxidermy mounts, models, fossils, rocks and minerals, and other such materials representative of, or illustrative of, the natural world; (c) artworks, to include examples of fine art, decorative art, and folk art and craft work; (d) collection disciplines, to include cultural history, science and technology, art and natural history; and (e) exhibits, to include design and fabrication and specialty materials not commercially available that are used as components of exhibits.
- 05/12/92 108. Delegated to the Director of the Division of General Services the authority to grant exemptions from the Consolidated Procurement Code to permit agencies to accept gifts with a total value of \$100,000 or less, on the condition the five-year budgetary impact statement is positive.
- 05/12/92 109. Received as information a decision to declare the pending mobile data communications system proposal non-responsive; and, in accord with Code Section 11-35-710, granted an exemption from the Procurement Code to the Division of Information Resources Management to acquire two-way mobile radio voice and/or data communications systems to meet state agency needs; and authorized a contract in excess of five years but not exceeding ten years.
- 05/12/92 110. Authorized the Division of Insurance Services to continue the actuarial consultant services contractual agreement with The Wyatt Company for fiscal year 1992-93, and exempted this contract from the requirements of the Procurement Code.
- 06/02/92 111. Exempt the South Carolina Jobs-Economic Development Authority from the South Carolina Consolidated Procurement Code, provided the Authority develops an alternative code that is approved by the Budget and Control Board.
- 06/15/92 112. Exempted the Savannah Valley Authority from the South Carolina Consolidated Procurement Code except for Minority Business Provisions, provided the Authority develops an alternative code that is approved by the Budget and Control Board.
- 02/25/93 113. Authorized the Division of Insurance Services to proceed with negotiations with potential vendors to provide life and long-term care insurance for the State employee group outside the limits of the State Procurement Code with any negotiated agreement to be subject to Board

approval.

- 07/14/93 114. In accord with Code Section 11-35-710, exempted the acquisition of all local and long-distance telecommunications services for or on behalf of the State of South Carolina from the requirement that they be purchased through the respective chief procurement officer's area of responsibility and from the purchasing procedures of the Consolidated Procurement Code, until further Board action; and authorized the Division of Information Resource Management to secure such telecommunications services and equipment upon such terms and conditions as it considers appropriate.
- 08/26/93 115. Modified the exemption from the requirements of the Consolidated Procurement Code of printed examination forms used in the administration of state licensing examinations to read as follows: electronic and printed examination forms and their administration for State licensing examinations.
- NOTE:** See original exemption dated 08/24/82.
- 03/22/94 116. Modified an existing exemption to the requirement of the Consolidated Procurement Code for contracts between state government agencies to read as follows: In accord with Section 11-35-710 of the Consolidated Procurement Code, delegated to the Office of General Services the authority to exempt contracts between state government agencies under Section 11-35-4830 and 11-35-4840 for supplies or services, provided a cost justification is submitted to the Office in advance. The following types of contracts between state government agencies shall be exempt from the Consolidated Procurement Code and submission to General Services is not required: (1) agreements between state government agencies which are mandated by federal or state laws; and (2) services agreements between state government agencies for services authorized by that agency's enabling legislation as its purpose, duty, or mission.
- NOTE:** See original exemption dated 11/05/84.
- 03/22/94 117. In accordance with Code Section 11-35-710, exempted procurements made by a requesting agency for the purchase of grant-specified and approved major equipment, subcontracts, and consultants the agency determines to be essential to the successful completion of the grant-funded project if those procurements are made in accordance with procedures approved by the Office of General Services on an agency-by-

agency basis.

- 05/10/94 118. Amended an existing exemption to the requirements of the Procurement Code to read as follows: The procurement of copyrighted educational films, filmstrips, slides and transparencies, CD ROM documents, data bases, computer assisted instructional materials, interactive video programs and other related materials made available by information technology that can only be obtained from the company providing the information or service.
NOTE: See original exemption dated 04/27/82.
- 05/10/94 119. Granted an exemption to the Procurement Code, until June 30, 1995, to allow the procurement of all environmental remediation contracts from purchasing policies and procedures, provided these environmental remediation contracts will be procured under the authority of and in accordance with procedures established by the State Engineer's Office.
- 08/24/94 120. Exempted the contract for an automated child welfare system from the purchasing policies and procedures of the Procurement Code, provided the procedures outlined in the DSS Automated Child Welfare System Background and Requested Action document are followed.
- 08/24/94 121. Exempted the excess ITFS capacity transactions between Greenville Technical College and Prescient Telecommunications International and between Trident Technical College and Wireless Low Country Cable Management Corporation from purchasing the equipment involved through the respective chief procurement officer's area of responsibility and from the purchasing procedures of the Procurement Code; and, pursuant to Code Section 1-11-420, approved the contract thereon, subject to the coordination of the Information Technology Planning Office and the advice, assistance and approval of the Office of Information Resources.
- 11/03/94 122. Approved the Jobs-Economic Development Authority procurement policies, thereby exempting JEDA from the requirements of the Procurement Code except for Code Sections 11-/35-5120 through 11-35-5270, inclusive;
- 11/03/94 123. Granted an exemption from the requirements of the Procurement Code for the Health and Human Services Finance Commission contracts for the Medicaid Claims Control System and the Medicaid Insurance Verification Services, until such time as the State is certain as to the full schedule and impact of the Palmetto Health Initiative, or no later than December 31, 1995.

- 01/10/95 124. Exempted the Department of Health and Environmental Control from the requirements of the Consolidated Procurement Code for all contracts for home health services, on the condition that a written certification that this exemption will not adversely affect the Medicaid reform waivers is received from the Health and Human Services Finance Commission;
- 1/12/95 125. Exempted the purchase of goods, products, and services by state offices, departments, institutions, agencies, boards, and commissions or the political subdivisions of this State from the South Carolina Department of Corrections, Division of Prison Industries.
- 3/28/95 126. Exempted Trident Technical College from surplus property procedures and approved the sale of 2.293± acres of surplus College property off Rivers Drive in Charleston County to the adjacent land owner, with proceeds of the sale to be deposited in the capital improvement account of the local area commission as provided in Code Section 59-53-53.
- 10/24/95 127. In accord with Code Section 11-35-710, exempted environmental remediation projects from the purchasing policies and procedures of the Procurement Code, provided that these contracts will be procured under the authority of and in accordance with procedures established by the Office of State Engineer with the work effort to be monitored by the State Engineer.
- 11/14/95 128. Under authority of Section 11-35-710 of Code, granted an extension to the exemption granted on November 3, 1994, for the current Medicaid Insurance Verification Services contract from the Consolidated Procurement Code until a succeeding contract is awarded and implemented.
- 11/14/95 129. Increased the lease procurement exemption from \$10,000 to \$25,000 for colleges and universities, and directed staff to report on the impact of the change within twelve months.
- 03/05/96 130. Granted an exemption from the leasing procedures for the leasing of Clemson University PSA lands provided that the leasing is done in accordance with procedures to be approved by the Office of General Services.
- 11/04/97 131. Granted an exemption from the Consolidated Procurement Code to allow the Office of General Services the authority to identify high volume procurement items such as office supplies, office equipment, information technology products, vehicles, petroleum products and pharmaceutical products that are used in the operation and the administration of state government which are suited for pursuant to multi-state cooperative agreements and to enter into those agreements using procurement

procedures appropriate for each transaction and agreeable to the participating states in those instances in which clear cost savings can be realized.

- 06/18/98 132. Granted an exemption for the Department of Health and Human Services, in coordination with other appropriate agencies and organizations, for the development of a coordinated system of services, as required by Proviso 72.58, which provides for a continuum of long term care services for elderly individuals and their families through the distribution of applicable funds to Area Agencies on Aging.
- 02/09/99 133. Amended the July 13, 1992, exemption for legal services pursuant to Section 11-35-710 of the Code to exempt attorneys approved by the Budget and Control Board.
- 04/11/00 134. Approved an exemption from the Consolidated Procurement Code for the State Forestry Commission to procure fire equipment and related supply items from the Wildlife Protection Equipment and Supplies Catalog and subsequent editions through the Cooperative Fire Program of the U.S. Forestry Service.
- 06/21/00 135. Under the authority of Section 11-35-710 of the Consolidated Procurement Code, granted an exemption to allow all state law enforcement programs to procure law enforcement equipment and supplies for counter drug activities through Federal procurement channels under the United States Government's State and Local Law Enforcement Equipment Procurement Program created by the National Defense Authorization Act of 1994 provided, however, that the law enforcement agency must certify that the prices paid under this program are advantageous to the State.
- 7/29/04 South Carolina contact is:
Ellen Clark, Greenville County Sheriff, 864-467-5224
- 09/17/01 136. In accord with Section 11-35-710, the Board granted the South Carolina Department of Social Services (DSS) an exemption from the purchasing procedures of the Procurement Code for those supplies, services, and information technology, as defined in Code Section Ann. 11-35-310, necessary for DSS to develop and complete a statewide automated Child Support Enforcement System (CSES) and a State Disbursement Unit (SDU).
- 02/14/02 137. Approved the recommendation to exempt brokerage services and investment management and advisory services from the requirements of the Consolidated Procurement Code as recommended by the Retirement Systems Investment Panel and the Office of General Services.
- 12/09/03 138. Approved Clemson University's request for an exemption from the South

Carolina Consolidated Procurement Code concerning Clemson University's Information Technology Center to be located at Clemson University International Center for Automotive Research and associated infrastructure; and approved an exemption from State Leasing Procedures for the leasing out by Clemson University of the Information Technology Research Center;

03/18/04 139 On March 18, 2004, the Budget and Control Rescinded the exemption from the Consolidated Procurement Code to Clemson University on December 9, 2003. Please refer to item 138.

NOTES

1. For the exemption to apply to these categories, the individual or firm involved must be licensed to perform the specific professional services, must provide that specific service to the requesting governmental body, and the contractual relationship created by the individual or firm and the governmental body cannot be an employer/employee relationship which would be governed by State Personnel Rules and Regulations; and categories 29, 30, and 39 must be considered independent contractors.

2. The Arts Commission maintains lists of approved artists including painters, sculptors, poets, playwrights, theater groups, craftsmen, etc. which are available to governmental bodies. This exemption includes procurements of these services by all governmental bodies if approved by the Arts Commission.

- 04/26/83
3. The Board clarified that exemptions granted to date are exemptions from the competitive bid procedure only and that all other aspects of the Code, specifically, the disposition of property procedure and the reporting procedures, must be complied with.

- 05/27/86
4. Clarified the exemption for invoices for gas and electricity, water and sewer services provided by public utilities subject to rate regulation by the Public Service Commission to exclude late payment charges under Section 11-35-45 effective July 1, 1986, thereby allowing public utilities to assess late payment charges under their respective tariffs as approved by the South Carolina Public Service Commission.