
SUBJECT: Purchasing Policy

NUMBER: 5:35

1. Purpose

This policy and its procedures set forth the standards applicable to University purchasing of supplies, equipment and services to ensure compliance with state statutes, SD Bureau of Administration policy and administrative rules, SDBOR policy, and University protocols.

2. Definitions

- a. Buyer: the individual(s) responsible for the procurement of supplies, equipment or services requested. The University buyer referenced in this document is located at the University, while the Shared Services

c. Manager: the SDBOR electronic bid system. Buyers at each University are trained to use the system for requisitions that need to be bid.

- g. Purchasing Shared Services: SDBOR-assigned purchasing buyers located at five (5) different institutions governed by the SDBOR to handle the procurement of assigned commodities.
- h. Sole Source: a purchase of supplies, equipment or services that is deemed to only have one supplier. Sole source approval is determined by the appropriate buyer based on detailed justification from the requestor.
- i. Supplies: any property, including equipment, supplies, materials, and printing, but excluding real property.
- j. Written Quote: a written document outlining the specifications of a potential purchase. The Written Quote must include vendor contact information, model/item number(s), quantities, shipping and other necessary costs, unit and extended prices. Departments can also utilize a Quote Request Form, which is a fillable form to provide to potential vendors.

3. Policy

- a. Purchases of equipment, supplies, and services at the University must be performed by authorized persons designated by the SDBOR and in accordance with SDCL 5-18A, B & D and SDBOR Policy 5.4.
- b. SDBOR designates individuals of the University and other SDBOR institutions to handle the procurement of specified commodities for the University and other SDBOR institutions through Purchasing Shared Services. The University Purchasing Office is responsible for maintaining the list of Purchasing Shared Services employees, along with their areas of responsibility, and for making it available to departments.
- c. The State of South Dakota, through the Office of Procurement Management (“OPM”), maintains various contracts for supplies and equipment. These contracts are competitively bid by the State of South Dakota or are national contracts in which the State participates. When making University purchases, these contracts must be utilized as the first source unless it is more cost effective to purchase the items from other authorized sources.
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- a) In accordance with SDCL 5-18A-11, any order with a total cost exceeding \$4,000 and less than \$50,000 requires a minimum of three (3) competitive written quotes unless the item(s) are available from existing contracts, are considered exempt as outlined below, or are justifiably a sole source. Orders in excess of \$4,000 must be submitted on a purchase requisition.
- b) Orders for any non \$4pp7.972 (ov Tw 0.24o)-2.3 (u)-2.2 (tlin)-2.3 (e)1.8 (d)TJ3()Tj/T

contracts, etc.

vi. Environmentally Preferred Products

1. In accordance with applicable South Dakota administrative rules, University individuals must adhere to the provisions regarding the use of environmentally preferred products when purchasing printing projects, paper stock, and cleaning and maintenance equipment and supplies.
2. Energy Star regulations must apply to any electronic appliance or device as outlined in the SDSU Facilities and Services Service Guide.

4. Procedures

- a. After determination of the supplies, equipment or service that is required by their department, a requestor processes a requisition in the SDezbuy system using all resources and training information available.
- b. The requestor, or designated individual, is responsible to obtain necessary information to include or paperwork to attach to the requisition as outlined below:
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purchase is over \$25,000 and it is vital to use a particular brand name to ensure compatibility. The appropriate buyer will use the justification to determine how to handle the purchase.

- c. After a requestor processes a purchase requisition, the appropriate approver electronically approves the purchase requisition. After a requisition is approved, it will flow to the appropriate buyer via the assigned commodity code.
- d. The appropriate buyer reviews the requisition and all attachments to determine how to process the purchase. Factors to review include: 1) purchasing limits, 2) delivery date, and 3) competitiveness of the commodity/service. If a bid or RFP is done, the online bid system Sourcing Manager is utilized following all bid requirements. If the purchase exceeds the purchasing limit and is required to be bid, the appropriate buyer manages the bidding process.