

Small Purchase Procedures

Revised: May 16, 2008

Small purchase procedures apply to purchase of goods and services up to \$50,000.

General

The use of the DPS, University, and VASCUPP contracts are preferred.

The following sources are optional:

1. Office of Graphic Communications (OGC).
2. Virginia Distribution Center (formerly Central Warehouse).
3. VITA hardware/software and related services.
4. VITA telecommunications equipment/goods, unless stipulated as mandatory.

Procurement Methods

Single Quotation

1. Purchases where the estimated cost of the goods or services does not exceed \$5,000 may be made upon receipt of one written or telephone quotation. SWAM business inclusion is strongly encouraged.
2. Whenever there is reason to believe a single quotation is not a fair and reasonable price, additional competition should be sought.

Solicitations for Quotes Between \$5,000 and \$50,000

1. When the estimated cost of goods or services is between the applicable single quote limit and \$50,000, written quotes from four (4) valid sources shall be solicited ((including a minimum of four SWAM businesses provided there is sufficient registration). If fewer than the required number of total sources and/or SWAM businesses are solicited, the reasons must be documented and have advance written approval from the Supplier Diversity Champion or his/her designee.

2. Quotes shall be solicited through eVA using Quick Quote.

For Solicitations for Proposals Between \$5,000 and \$50,000

1. When the estimated cost of goods or services is between the applicable single quote limit and \$50,000 solicit proposals from four (4) valid sources (including a minimum of four SWAM businesses provided there is sufficient registration). If fewer than the required number of total sources and/or SWAM businesses are solicited, the reasons must be documented and have advance written approval from the Supplier Diversity Champion or his/her designee.
2. The solicitation should be concise and include a description of what is being sought. It should stipulate the information requested from the Offeror for evaluation purposes. Also, any specific terms and conditions related to the procurement should be incorporated.
3. In lieu of an evaluation committee, the buyer or end user may solely evaluate and rank proposals.
4. Proposals may be evaluated and ranked based on its overall merits. Evaluation criteria and associated weights are not required. The evaluator(s) must rank each proposal based upon their independent review of the offer.
5. Negotiations may be conducted with the top ranked firm(s), but it is not a requirement. Consideration should be given to the value added through negotiations.
6. A written summary evaluation document must be submitted by the evaluator(s) which provides rationale for the selection of firm(s) and a recommendation to award.
7. Public posting is not required.

Sole Source Procurement

A sole source procurement is authorized when there is only one source practicably available for the goods or services required. Competition is not available in a sole source situation; thus distinguishing it from a proprietary purchase where the product required is manufactured by only one company, but is sold through distributors and

competition between them can be obtained. Sole source justification based solely on a single vendor's capability to deliver in the least amount of time is not appropriate since availability alone is not a valid basis for determining a sole source procurement.

1. **Written Determination.** A written determination documenting that there is only one source practicably available for that which is to be procured, must be included in the procurement file. The writing shall document the basis for the determination. Public posting is not required.
2. **Negotiating a Contract.** After the sole source has been documented, a contract may be negotiated and awarded without competition. In making a sole source procurement, it is the buyer's responsibility to negotiate a contract that is in the best interest of the University. The buyer should carefully research the product or services and determine in writing what is a fair and reasonable price. Negotiations can be conducted to add terms and conditions favorable to the University and deleting or changing terms that are one-sided in favor of the contractor. It is important to know the market and the contractor's situation in regard to the market. In noncompetitive negotiations one must be exceptionally well prepared and negotiate to the extent that is practicable.
3. **Documentation.** The sole source documentation must contain the following information:
 - Explain why this is the only product or service that can meet the needs of the purchasing agency.
 - Explain why this vendor is the only practicably available source from which to obtain this product or service.
 - Explain why the price is considered reasonable.
 - Describe the efforts that were made to conduct a non-competitive negotiation to get the best possible price for the taxpayers.
4. **Approval and Reporting.** Sole source procurements exceeding \$10,000 must be approved by the Associate Director, University Purchasing. All sole source procurements exceeding \$10,000 must be submitted to the Secretary of Education on a quarterly basis for review.

5. Posting. All sole source procurements exceeding \$50,000 must be publicly posted in the lobby of Procurement & Payment.

Emergency Procurement Procedures

An emergency is an occurrence of a serious and urgent nature that demands immediate action. Emergency procedures may be utilized only to purchase that which is necessary to cover the emergency. Subsequent requirements shall be obtained using normal purchasing procedures. The potential loss of funds at the end of a fiscal year is not considered to be an emergency.

1. The nature of the emergency determines what pre-award action may be taken:
 - For an emergency purchase required to protect personal safety or property, efforts should be directed to finding a source and authorizing the contractor to proceed. This does not relieve the university from negotiating a fair and reasonable price and subsequently documenting the procurement action taken.
 - For other types of emergencies, competition should be sought to the extent practicable. Verification of the vendor's: 1) qualifications 2) insurance coverage, if applicable, 3) warranty, and 4) any other data pertinent to the procurement may be obtained.
2. As soon as practicable, after directing the contractor to proceed, a confirming purchase order should be prepared. Care should be taken to include in detail any agreement, including price, made orally with the contractor.
3. Prepare a written determination for signature by the Associate Director, University Purchasing or designated representative indicating the nature of the emergency, the reason for selection of the particular contractor and include such determination with the file.
4. Issue confirming purchase order.
5. If the purchase exceeds \$50,000, it must be publicly posted in the lobby of Procurement and Payment.

Demand Payments (Exceptions to Normal Competitive Requirements)

Competition normally is either not practicable or available for purchase of the following goods or services up to \$50,000.

1. Books, printed materials, reprints and subscription (e.g., print or electronic), videocassettes and slide presentations when only available from the publisher/producer. File documentation to include verification of exclusivity. Requires approval by a Buyer Manager.
2. Academic/research consulting services. Requires approval by Director, University Purchasing.
3. Alcohol purchased from Alcohol Beverage Control stores.
4. Honoraria, entertainment (speakers, lecturers, musicians, performing artists).
5. Royalties and film rentals when only available from the producer or protected distributors. File documentation to include verification of exclusivity. Requires approval by a Buyer Manager.
6. Membership dues. Note: Memberships to social organizations require approval by Director, University Purchasing.
7. Writers.
8. Artists.
9. Photographers (other than graduation and yearbook photographers).
10. Advertisements in newspapers, magazines, journals, billboards, websites, radio or television.
11. Utility charges.
12. Conference facilities (to include conference support and related lodging and meals) only when the use of a specific facility is directed by an outside donor, sponsor or organization. Requires approval by Director, University Purchasing.
13. Accreditation fees.
14. Academic testing services.
15. Transplants, related transplant services, and implants.
16. Pass-through-procurements. (Examples include contracting for alumni functions for which the institution is reimbursed by the alumni and materials purchased for

students by a faculty member using State funds and for which the students fully reimburse the institution). Requires approval by Associate Director, University Purchasing.

17. Televised or radio programs (e.g., athletic events, televised conferences, etc.) whereby specific stations are selected because of market demographics. Requires approval by a Buyer Manager.
18. Fees associated with participation in intercollegiate athletic tournaments and events including team lodging, registration and game guarantees for all athletic events.
19. Referees, officials and umpires for intercollegiate athletic events.
20. Pharmacies participating in pharmacy student in-service programs wherein all qualifying facilities are eligible.
21. Recipients of awards from the Alzheimer's & Related Diseases Research Award Fund (ARDRAF), Geriatric Academic Career Award (GACA), and Geriatric Education Center (GEC) administered by the Virginia Center on Aging wherein the requirements are clearly advertised and proposals are evaluated in accordance with published guidelines. Requires approval by a Buyer Manager.
22. Early intervention services, as required through the "Part C" program, under the Individuals with Disabilities Act (IDEA), provided by service providers selected by the Virginia Institute for Developmental Disabilities (VIDD); wherein the requirements are clearly advertised and the selected provider meets the current eligibility requirements of VIDD and the Richmond Infant Council. Requires approval by a Buyer Manager.
23. Direct payment to a vendor providing specialized technical training on their equipment. Requires approval by a Buyer Manager.
24. Registration fees for participants in local, regional and/or national competitive academic events or mission related events (e.g. conferences). Requires approval by a Buyer Manager.
25. Individuals who are: 1) not citizens of the United States, 2) working in countries outside of the United States, and 3) providing services to fulfill grant

- requirements in collaboration with the University. Requires approval by a Buyer Manager.
26. Local pharmacies participating in Central Virginia's HIV Program by providing medication services (i.e., filling prescriptions and providing medication advice) wherein all qualifying facilities are eligible. Requires approval by a Buyer Manager.
 27. Evaluators participating in pregnancy prevention projects funded by the Virginia Department of Health. Evaluators are identified by localities across the Commonwealth based upon existing knowledge and ability to reach the targeted audience. Requires approval by a Buyer Manager.
 28. Entities selected by the Center for School-Community Collaboration in the School of Education to receive funding to support the Commonwealth of Virginia's "Youth Gang Project". Interested parties are invited to submit proposals. Proposal submission requirements and the review criteria are provided to any party that requests the information. Requires approval by a Buyer Manager.
 29. Transportation providers participating in Central Virginia's HIV Program by providing transportation services to individuals eligible under Ryan White Care Act, Title II. Transportation is provided to medical and psychosocial appointments. All qualifying providers are eligible. Requires approval by a Buyer Manager.
 30. Legal services for individuals eligible under Ryan White Care Act, Title II. Services include drafting wills and establishing a power of attorney. All qualifying providers are eligible. Requires approval by a Buyer Manager.
 31. Dental services for individuals eligible under Ryan White Care Act, Title II. All qualifying providers are eligible. Requires approval by a Buyer Manager.
 32. Medical/Health Care Services when services are provided by a hospital or an individual licensed and authorized by law to engage in the prevention, diagnosis, or treatment of human illness, injury, or physical disability, mental health, mental retardation, substance abuse, or emotional condition. Requires approval by a Buyer Manager.

33. Services provided by pharmacists to support research requirements. The need for services must be advertised and all providers meeting the eligibility requirements are accepted into the program (until a sufficient number of providers have been identified). Requires approval by a Buyer Manager.
34. Payments to continue existing disability insurance policies for senior administration. Requires use of local funds and approval by Associate Director, University Purchasing.
35. Legal services approved in advance by the General Counsel's Office or the Attorney General's Office. Requires Buyer Manager's approval.
36. Contributions and donations for activities directly related to the University's mission and approved by the President upon recommendation of the Senior Vice President for Finance and Administration. Requires approval by Associate Director, University Purchasing.
37. Tickets for VCU students to attend VCU sponsored events (e.g. athletic, cultural, etc.) using funds from student fees. Requires Buyer Manager approval.
38. Payments to support the Virginia Statewide Area Health Education Centers (AHEC) as appropriated by the General Assembly. Requires Buyer Manager approval.
39. Sponsorship of events directly related to the University's mission. Requires approval by Associate Director, University Purchasing.
40. Maintenance agreements with the manufacturer for existing software and/or sophisticated scientific equipment provided the method of procurement for the original purchase was sole source. Requires approval by Buyer Manager.
41. Services provided as part of Ryan White II funding by Peer Coaches selected by the Peer Advocates Coalition of Central Virginia to provide interventions under "Coaching for Wellness" program for individuals infected with HIV. All qualified provided are eligible and accepted into the program contingent upon the need for providers and funding. Requires approval of Buyer Manager.

Price – Reasonableness Determinations

When competition is restricted or lacking or the prices offered appear excessive, the procuring agent is responsible for further analysis to determine in writing if the prices are fair and reasonable. This applies to sole source, single response, contract changes/modifications, contract extensions, and contract renewals.