

Agency Procurement Policy #E24-115.03

State Procurement and Contracting

THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE AGENCY. THIS DOCUMENT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS. THE AGENCY RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

DEFINITIONS

Agency – The South Carolina Military Department/Office of the Adjutant General.

Brand Name Specification - A specification limited to one or more items by manufacturers' names or catalogue number.

Brand Name or Equal Specification - A specification which uses one or more manufacturer's names or catalogue numbers to describe the standard of quality, performance and other characteristics needed to meet requirements, and which provides for the submission of equivalent products.

Business Day - A day that is neither a Saturday, Sunday, nor a State or Federal holiday.

Change Order - Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity or other provisions of any contract accomplished by mutual agreement of the parties to the contract.

Commercial Product - Supplies, other than printing, or information resources that:

- (a) Is of a type customarily used by the general public and that has been sold, leased, or licensed to the general public,
- (b) Would satisfy the criteria in sub-item (a) were it not for modifications of a type customarily available in the commercial marketplace, or minor modifications made to meet agency requirements; or
- (c) Is a combination of products meeting the requirements of sub-item (a) or (b) that are of a type customarily combined and sold in combination to the general public.

Commercially Available Off-The-Shelf Product - Supplies, other than printing or information resources, that is a commercial product, sold in substantial quantities in the commercial marketplace; and is offered to the Agency, without modification, in the same form in which it is sold in the commercial marketplace. Does not include agricultural or petroleum products, or other items customarily sold in bulk.

Construction – The process of building, altering, repairing, remodeling, improving or demolishing a public infrastructure facility, including any public structure or public building, or other public improvements of any kind to real property. Does not include the routine operation, routine repair or routine maintenance of an existing public infrastructure facility including structures, buildings or real property.

Contract – All types of Agency agreements, regardless of what they may be called, for the procurement or disposal of supplies, services, information technology or construction.

Contract Modification – A written order signed by the Procurement Officer, directing the contractor to make changes authorized by the Changes Clause of the contract which authorizes the Procurement Officer to order without the consent of the contractor.

Contractor – Any person having a contract with a governmental body.

Database - A collection of recorded information in a form capable of, and for the purpose of, being stored, processed and operated on by a computer.

Days – Calendar days.

Debarment - The disqualification of a person to receive invitations for bids or requests for proposals or be awarded a contract by the State, to include this Agency, for a specified period of time commensurate with the seriousness of the offense or the failure or inadequacy of performance.

Designee – A duly authorized representative of a person with formal responsibilities under the SC Procurement Code.

Economically Disadvantaged Individuals - Those socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to lack of capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged.

Exemptions - Specific supplies, services, information technology, or construction exempted from the purchasing procedures by the State Fiscal Accountability Authority Board as required by the SC Procurement Code.

Funds Reservation – A method of encumbering funds for anticipated payments to other State agencies.

Goods Receipt – An action performed in the South Carolina Enterprise Information System to notate that goods or services have been received and are acceptable.

Information Resources - Any equipment including interconnected systems or subsystems of equipment used in the automatic acquisition, creation, conversation, duplication, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission or reception of data or information by the Agency. Information resources includes, but are not limited to, computers, ancillary equipment including imaging peripherals, input, output and storage devices and devices necessary for security and surveillance, peripheral equipment designed to be controlled by the central processing unit of a computer, databases, software, firmware, middleware and application and application development software; whether owned, leased, licensed or accessed as a service; and routine maintenance and support.

Information Technology - Information resources, telecommunications and information services.

Information Services - Services provided by a contractor associated with any aspect of information resources or telecommunications. Does not include information resources or telecommunications.

Inter-Departmental Transfer – The transfer of funds, through the State Comptroller General's Office, from one State agency to another State agency. Used when one State agency charges another State agency for goods or services provided.

Invitation for Bids - A written or published solicitation issued by an authorized procurement officer for bids to contract for the procurement or disposal of state supplies, services, information technology or construction, which will ordinarily result in the award of the contract to the responsible bidder in accordance with the procedure set forth in Section 11-35-1520 of the SC Procurement Code.

Minority Person - A U.S. citizen who is economically and socially disadvantaged.

Procurement – The act of buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, information technology, or construction. Also includes all functions that pertain to the obtaining of any supply, service, information technology or construction, including description of requirements,

selection and solicitation of sources, preparation and award of contracts, and all phases of contract administration.

Procurement Officer – Individual appointed by the Adjutant General to conduct procurement actions for the Agency. Also referred to as Agency Contracting Officer.

Program Manager - Individual nominated by the Adjutant General and appointed by the United States Property and Fiscal Officer, or the Governor (for the South Carolina Emergency Management Division), who is charged with the fiscal responsibility for the proper planning, preparation, execution and management of funds in support of Cooperative Agreement Programs or Federal or State Grants.

Purchase Order - A written authorization requesting a vendor to furnish certain goods or services to the Agency. It is an offer from the Agency to buy certain goods or services.

Qualified Products List - An approved list of supplies, services, information technology or construction items described by model or catalogue number which, prior to competitive solicitation, the State has determined will meet the applicable specification requirements.

Ratification - The act of affirming or terminating an unauthorized commitment by an official who has the authority to do so.

Request for Proposals - A written or published solicitation issued by an authorized procurement officer for proposals to provide supplies, services, information technology or construction which ordinarily result in the award of the contract to the responsible offeror making the proposal determined to be most advantageous to the Agency.

Responsible Bidder or Offeror - A vendor who has the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance which may be substantiated by past performance.

Responsive Bidder or Offeror - A vendor who has submitted a bid or proposal which conforms in all material aspects to the invitation for bids or request for proposals.

Services – The furnishing of labor, time or effort by a contractor not required to deliver a specific end product other than reports which are merely incidental to required performance. This term includes consultant services other than architectural, engineering, land surveying, construction management and related services. Does not include employment agreement or information services as defined in Section 11-35-310(1)(c) of the SC Procurement Code.

Shopping Cart – A purchase requisition within the Supplier-Relationship Management module of the South Carolina Enterprise Information System used to request a Purchase Order.

Solicitation – A request to submit quotations or proposals to the Agency.

State – State of South Carolina

Subcontractor - Any person having a contract to perform work or render service to a prime contractor as a part of the prime contractor's agreement with the Agency or State.

Supplier Relationship Manager – A module of the South Carolina Enterprise Information System accounting system used to enter Shopping Carts/purchase requisitions and to submit goods receipt indicating the goods or services have been received and are acceptable.

Supplies – All personal property including, but not limited to, equipment, materials, printing and insurance.

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

Socially and Economically Disadvantaged Small Business - Any small independent business concern which is at least fifty-one percent (51%) owned by one or more socially or economically disadvantaged citizens.

Software - Computer programs that comprise a series of instructions, rules, routines or statements, regardless of the media in which recorded, that allow or cause a computer to perform a specific operation or series of operations.

South Carolina Enterprise Information System – A system utilized by the State of South Carolina to standardize and streamline business processes within the government of South Carolina.

South Carolina Business Opportunities – A publication of solicitations, intent to award or requests for information for State agencies, colleges, universities and political subdivisions. Published by the Division of Procurement Services at least weekly. Provides a listing of proposed procurements of construction, information technology, supplies, services and other procurement information of interest to the business community.

Suspension - The temporary disqualification of a person or vendor to receive invitations for bids, requests for proposals or the award of a contract by the State pending the completion of an investigation and any legal proceedings that may ensue because the person or vendor is suspected, upon probable cause, of engaging in criminal, fraudulent or seriously improper conduct or failure or inadequacy of performance which may lead to debarment.

Specifications - Any technical or purchase description or other description of the physical or functional characteristics or of the nature of a supply, service or construction item. May also include a description of any requirement for inspecting, testing or preparing a supply, service or construction item for delivery.

Telecommunications - Voice, data, message and video transmissions. Includes the transmission and switching facilities of public telecommunications systems as well as operating and network software.

Term Contract - Contracts established for specific supplies, services or information technology for a specified time and for which it is mandatory the Agency procure their requirements during its term.

Unauthorized Commitment - An act obligating the State of South Carolina and/or the Office of the Adjutant General that is not in accordance with SC Procurement Code or Regulations and/or this Policy.

FORMS

All forms noted for use in accordance with this Policy may be found at <https://scmd.sc.gov/state-operations/forms> under the "Procurement" Section or on the State Fiscal Accountability (SFAA) Division of Procurement Services website at <https://procurement.sc.gov/osp/forms>.

POLICY

1. General

a. **Purpose.** This Policy prescribes the uniform policies and procedures governing the conduct of procurement services for the South Carolina Military Department to:

- Ensure all goods, services, and Information Technology (IT) required in support of the Agency are purchased in accordance with the SC Procurement Code and Regulations
- Secure such commodities and services at the lowest possible cost while establishing and maintaining a reputation of fairness, integrity and quality
- Provide standards for the operation of the procurement system with clearly defined rules and behavior on the part of all individuals engaged in the procurement
- Stress integrity as the basic principle in the execution of public funds

b. **Objective.** Provide guidance for employees, supervisors, Department Heads/Program Managers and procurement personnel of the Agency in accordance with the SC Procurement Code. This Policy is supplementary to and does not supersede any State or Federal regulatory authority.

c. **Applicability.** This Policy is applicable to all personnel of the South Carolina Military Department/Office of the Adjutant General involved in the procurement of goods, services, construction and IT for the Agency through the Procurement Department regardless of the origin of the funds.

d. **Ethical Standards.** Individuals authorized to manage/obligate Agency funds are ethically required to:

- Give first consideration to the objectives and policies of the State and Agency
- Obtain maximum value for each dollar expended
- Refuse offers of personal gifts or gratuities
- Demand honesty in conduct of official Agency functions
- Grant all competitive bidders equal consideration
- Ensure no conflict exists between private interest and official responsibilities

e. **Gifts.** Agency personnel should not accept or solicit a gift, directly or indirectly, from a donor if the Agency or the individual has reason to believe the donor has or is seeking to obtain contractual or other business or financial relationships with the Agency.

f. **Drug Free Workplace Act.** In accordance with Title 44, Chapter 107 of the South Carolina Code of Laws (Drug Free Workplace Act), for all contracts of \$50,000 or more, vendors must certify they will comply with the Act and provide a Drug Free Workplace for their employees.

g. Public Access to Procurement Information

(1) Procurement information is public record to the extent required by the Freedom of Information Act (FOIA) Chapter 4 Title 30 and in accordance with SC Procurement Regulation 19-445.2010.

(2) The vendor or person submitting the documents is responsible for marking any portions of documents submitted in response to a solicitation which are exempt from public disclosure. If not identified, the information may be disclosed to the public.

(3) Technical evaluations and recommendations are exempted so long as the contract award does not incorporate the evaluative documents.

(4) Other documents which are not releasable include those containing Protected Personal Information (PPI), other proprietary information (i.e., account number, etc.), and any commercial or financial information obtained in response to a solicitation which is privileged and confidential (e.g., customer lists, design recommendations, design concepts, biographical data on employees, etc.).

(5) Any other information may be made available to the public.

(6) For additional information on FOIA, refer to the Agency's Policy E24-100.07 – Freedom of Information (see <https://scmd.sc.gov/state-operations/foia>)

2. Procurement Authority and Certifications

a. In accordance with the SC Procurement Code and Regulations, the Agency, through the State Division of Procurement Services, is authorized and certified to engage in procurement actions for the following areas and limits in support of State and Federal programs:

- Supplies and Services \$100,000
- Information Technology \$50,000
- Consultant/Contractual Services \$50,000
- Construction Contract Award \$100,000
- Construction Contracts Change Orders \$50,000

b. The Agency limits are determined and certified by the South Carolina State Fiscal Accountability Authority (SFAA).

3. Duties and Responsibilities

a. Procurement Department

(1) The Procurement Department, under the authority of the Adjutant General of South Carolina, is responsible for the procurement of construction, supplies and services, to include IT requirements, in accordance with the SC Procurement Code and Regulations.

(2) The Procurement Department is responsible for:

- Receiving, reviewing and processing purchase requisitions for goods and services required in support of the Agency. Reviews include, but are not limited to, the evaluation of quotations, the sufficiency of Emergency and Sole Source Justifications, as well as determining whether procurements are within the SC Procurement Code and Regulations
- Determining if prices are fair and reasonable
- Maintaining the database, operation and submission of required State and/or Federal specialized reports (e.g., Minority Vendor, Quarterly Reports, etc.)
- Assisting Requesters in obtaining quotations for procurement actions when the Requester cannot obtain the minimum number required for competition

- Processing all requisitions that require advertisement in the South Carolina Business Opportunities (SCBO) publication and determining the most advantageous source selection method.
- Forwarding all requirements exceeding agency certification to the State Division of Procurement Services for execution
- Administration of the State Purchasing Card System

b. Agency Contracting Officers

(1) Agency Contracting Officers, appointed by The Adjutant General, are the only individuals other than The Adjutant General authorized to financially or contractually obligate the Agency.

(2) The Adjutant General may delegate this authority to other individuals in the absence of the Contracting Officer.

(3) No other employee is authorized to sign contracts, agreements or any other document financially or contractually obligating the Agency or describing terms and conditions.

c. Department Heads / Program Managers

(1) Department Heads / Program Managers will ensure all supplies or services requested using the State or Federal Procurement Systems are authorized expenditures in accordance with regulatory guidance pertaining to the funds source and obligation authority thereof.

(2) Federal Program Managers, acting as an authorized agent of the United States Property and Fiscal Officer (USPFO), will ensure all requests made of the Agency in the execution of Federal awards programs are authorized and funded prior to approval.

4. Agency Procurement Guidelines

a. **Vendors/Contractors**

(1) Vendor/Contractor must be registered with the State of South Carolina through the South Carolina Enterprise Information System (SCEIS) unless the procurement action is accomplished using a State Procurement Card.

(2) The Agency will only make purchases from, and contracts with, responsible and responsive vendors/contractors.

(3) When the Contracting Officer questions the responsibility of a prospective contractor, the Contracting Officer will conduct a pre-award audit.

(a) The audit will include a review of debarred contractors in addition to other requirements.

(b) Additional factors to be considered are whether a prospective contractor has:

- The appropriate financial, material, equipment, facility and personnel resources and expertise, or the ability to obtain them, available necessary to indicate the capability to meet all contractual requirements
- A satisfactory record of past performance
- A satisfactory record of integrity

- Qualified legally to contract with the State
- Supplied all necessary information in connection with the inquiry concerning responsibility

(4) Should the Contracting Officer determine the vendor or contractor is non-responsive, the Contracting Officer will document the finding and include it in the Contract File and disqualify the vendor/contractor. The Contracting Officer will notify the vendor/contractor via certified mail. If the Contracting Officer determines the non-responsiveness was a minor informality as described in 11-35-1520(15) of the SC Procurement Code, the vendor/contractor may make a correction, or the Contracting Officer may waive the informality.

b. Small, Disadvantaged and Minority Owned Vendors

(1) All personnel requesting materials or services are responsible for promoting business with SC certified small, disadvantaged and minority owned vendors, and should request quotations from such vendors when possible.

(2) See Agency Procurement Policy # E24-115.01 (Minority Business) at <https://scmd.sc.gov/state-operations/policies>.

c. State Purchasing Card

(1) The State of South Carolina Purchasing Card (P-Card) is a charge card designed to enable authorized State employees to make small value purchases not to exceed \$2,500, unless approved for purchases during a State of Emergency or otherwise pre-approved by The Adjutant General, and must comply with the State and Agency Purchasing Card Policy and Procedures.

(2) The P-Card is a method of payment, not a method of procurement. Use of the P-Card for payment does not supersede or waive any requirements of the Consolidated Procurement Code & Regulations.

(3) If a cardholder experiences a problem with a denied purchase at the point of sale and the merchant or the cardholder cannot resolve the situation, the cardholder must complete a Purchase Order Requisition. Once the Procurement Department issues the Purchase Order, the cardholder may complete the transaction.

(4) See the Agency's State Procurement Card Policy # E24-115.01 at <https://scmd.sc.gov/state-operations/policies>.

d. Purchase Orders

(1) General

(a) Requestors are required to have an approved Purchase Order prior to placing an order for any goods or services except for goods and/or services purchased using the State Procurement Card, a current funds reservation or utilities subject to rate regulation by the Public Service Commission (gas, electricity, water and sewer).

(b) The Agency Procurement Director or designee is the approval authority for Purchase Orders.

(c) The Procurement Department issues and distributes Purchase Orders to the Requester(s).

(d) The Requester is responsible for submitting the Purchase Order to the vendor.

(e) Under certain circumstances, the Procurement Department may approve that an invoice be paid by Direct Pay. The Requester must complete a Direct Pay Form, and submit the Form with the invoice and attach any other pertinent documentation for review and approval

(2) Amendments to Purchase Orders

(a) Changes to a Purchase Order require the Requester to submit an amendment to the Purchase Order to the Agency Procurement Department using a Purchase Order Amendment Form.

(b) The Requester will complete the justification portion of the form, sign and forward the form to the Department Head or Program Manager for authorization.

(c) The Department Head or Program Manager will sign the authorization and forward the form to the Agency Procurement Department for action.

(d) Additional items or services will not be added to the Purchase Order without review and prior approval of the Procurement Department.

(e) Additional services or supplies are not authorized until the Agency Procurement Department has processed the amended Purchase Order.

(f) A Purchase Order cannot be amended after the close of the obligation period of a State or Federal Fiscal Year to increase the scope of work using prior State or Federal Fiscal Year funds.

(3) Purchase Order Requirements

(a) Purchases Less Than \$10,000

[1] Small purchases not exceeding \$10,000 may be accomplished without securing competitive quotations if the prices are determined to be fair and reasonable, and the vendor chosen is considered responsive and responsible. The Procurement Department will determine if the price is fair and reasonable. The Requester may be asked to obtain quotations or additional information so the Procurement Department may make a determination.

[2] Requests may be submitted electronically utilizing the Supplier Relationship Manager (SRM) Shopping Cart system or manually using a Purchase Requisition Form or Framework Requisition Form.

[3] The Procurement Department will notate in the "Internal Notes" section of the electronic (Shopping Cart) requisition "the price is fair and reasonable" and include their name and the date approved.

[4] Protest Rights under Section 11-35-4210 of the SC Procurement Code do not apply for purchases less than \$10,000.

[5] SCBO advertisement is not required.

[6] Notice of Award or Intent to Award is not required.

(b) Purchases between \$10,000 to \$25,000

[1] The Requester will solicit written quotations from a minimum of three (3) qualified sources of the required supplies or services. The Requestor will provide complete, detailed, written

specifications, free of discrepancies or ambiguities, to all prospective offerors to ensure all interested entities have an equal and competitive opportunity to submit an offer.

[2] Requests may be submitted electronically utilizing the SRM Shopping Cart system or manually using a Purchase Requisition Form or Framework Requisition Form.

[3] The Requester will attach a minimum of three (3) quotations on the offerors letterhead, as well as the specifications provided to the offerors, in the "Notes" section of the Shopping Cart.

[4] All specifications will be drafted to assure cost effective procurement of the State's actual needs and shall not be unduly restrictive.

[5] The award will be made to the lowest responsive and responsible offeror.

[6] Protest Rights under Section 11-35-4210 of the SC Procurement Code do not apply to contracts awarded purchases from \$10,000 to \$25,000.

[7] SCBO advertisement is not required.

[8] Notice of award or intent to award is not required.

(c) Purchases from \$25,000 to \$50,000

[1] Construction or Commercial Off The Shelf (COTS) items

[a] The Requester will solicit written quotations from a minimum of three (3) qualified sources of the required supplies or services for procurement of construction services or COTS items. The requestor will provide complete, detailed, written specifications, free of discrepancies or ambiguities, to all prospective offerors to ensure all interested entities have an equal and competitive opportunity to submit an offer.

[b] Requests may be submitted electronically utilizing the SRM Shopping Cart system or manually using a Purchase Requisition Form or Framework Requisition Form.

[c] The requestor will attach a minimum of three (3) the quotations on the offerors letterhead, as well as the specifications provided to the offerors, in the notes section of the Shopping Cart.

[d] All specifications shall be drafted to assure cost effective procurement of the state's actual needs and shall not be unduly restrictive.

[e] The award will be made to the lowest responsive and responsible offeror.

[f] Protest Rights under Section 11-35-4210 of the SC Procurement Code do not apply to contracts awarded purchases from \$25,000 to \$50,000.

[g] SCBO advertisement is not required.

[h] Notice of award or intent to award is not required.

[2] Goods and services not considered to be construction or COTS

[a] The Requester will submit the specifications in a Word document, as well as any other documents deemed necessary to publish a solicitation for the good or services.

[b] Requests may be submitted electronically utilizing the SRM Shopping Cart system or manually using a Purchase Requisition Form or Framework Requisition Form. Requests should be submitted at least 60 days prior to the requested start date of the contract.

[c] The Requester will attach the specifications to the requisition.

[d] All specifications shall be drafted to assure cost effective procurement of the State's actual needs and shall not be unduly restrictive.

[e] The Contracting Officer will publish the solicitation in SCBO and award the solicitation.

[f] The award will be made to the lowest responsive and responsible offeror or the highest-ranking offeror in case of a proposal.

[g] Protest Rights under Section 11-35-4210 of the SC Procurement Code do not apply to contracts awarded purchases from \$25,000 to \$50,000.

[h] Notice of award or intent to award is not required.

[i] Prior to the award or notification of intent to award, whichever is earlier, for solicitations posted in SCBO, Agency personnel shall forward or refer all requests for information regarding the procurement to the responsible Contracting Officer. The Procurement Officer will respond to the request. Agency personnel will not provide any information to vendors or contractors. Agency personnel involved in the procurement in any capacity will be required to sign a confidentiality statement if deemed necessary by the Contracting Officer.

(d) Purchases from \$50,000 to \$100,000

[1] Construction or COTS items

[a] The Requester will solicit written quotations from a minimum of three (3) qualified sources of the required supplies or services for procurement of construction services or COTS items. The requestor will provide complete, detailed, written specifications, free of discrepancies or ambiguities, to all prospective offerors to ensure all interested entities have an equal and competitive opportunity to submit an offer. All specifications shall be drafted to assure cost effective procurement of the State's actual needs and shall not be unduly restrictive.

[b] Requests may be submitted electronically utilizing the SRM Shopping Cart system or manually using a Purchase Requisition Form or Framework Requisition Form.

[c] The Requester will attach the quotations on the offerors' letterhead and the offeror's contact information, to include an email address, and the specifications provided to the offerors to the requisition.

[d] The award will be made to the lowest responsive and responsible offeror or the highest-ranking offeror for proposals.

[e] Protest Rights under Section 11-35-4210 of the South Carolina Consolidated Procurement Code apply to contracts awarded purchases from \$50,000 to \$100,000.

[f] SCBO advertisement is not required.

[g] The vendor must provide a Drug Free Workplace Certification.

[h] Notice of Award or Intent to Award is required. The Contracting Officer will notify all bidders

[2] Goods And Services Not Considered To Be Construction or COTS

[a] The Requester will submit a Shopping Cart by entering a quantity of 1 and a unit price of \$1.00. The Requester will leave the "Vendor Selection" blank.

[b] Requests should be submitted at least 60 days prior to the requested start date of the contract.

[c] The Requester will attach the specifications in a Word document as well as any other documents deemed necessary to publish a solicitation for the good or services. An estimate of the annual cost of the requested supplies or services should be noted in the "Internal Notes" on the Shopping Cart, as well as any vendor name and number known to provide the supplies or services.

[d] All specifications shall be drafted to assure cost effective procurement of the State's actual needs and shall not be unduly restrictive.

[e] The Contracting Officer will publish the solicitation in SCBO and award the solicitation.

[f] Prior to the award or notification of intent to award, whichever is earlier, for solicitations posted in SCBO, Agency personnel shall forward or refer all requests for information regarding the procurement to the responsible Contracting Officer. The Procurement Officer will respond to the request. Agency personnel will not provide any information to vendors or contractors. Agency personnel involved in the procurement in any capacity are required to sign a confidentiality statement if deemed necessary by the Contracting Officer.

[g] The award will be made to the lowest responsive and responsible offeror or the highest-ranking offeror in case of a proposal.

[h] The vendor must provide a Drug Free Workplace Certification.

[i] Protest Rights under Section 11-35-4210 of the South Carolina Consolidated Procurement Code apply to contracts awarded purchases from \$50,000 to \$100,000.

[j] Notice of award is required. The Contracting Officer will notify all bidders

e. Purchases Exceeding the Agency's Certification

(1) Requirements that exceed Agency's certifications will be processed by the SFAA's Division of Procurement Services as applicable.

(2) The Requester will submit a Shopping Cart by entering a quantity of 1 and a unit price of \$1.00, and attach the specifications in a Word document, as well as any other documents deemed necessary to publish a solicitation for the good or services.

(3) Requests should be submitted at least 60 days prior to the requested start date of the contract.

f. Term Contracts

(1) Multi-Term Contracts

(a) The Agency will not enter into a contract for supplies or services for a term of more than one (1) year unless one or more of the following determinations can be made:

- It is in the best interest of the Agency to obtain uninterrupted services extending over one (1) year;
- Where the performance of the services involves high start-up costs, or;
- When a changeover of service contracts involves high phase-in and phase out costs during a transition period.

(b) A multi-term contract may be used only when approved in writing via form MMO # 106 by the State Chief Procurement Officer that the situation(s) cited above exists.

(c) The maximum time for any multi-term contract is five (5) years.

(d) Additional guidance is provided in Section 11-35-2030 of the South Carolina Consolidated Procurement Code.

(2) State Term Contracts

(a) The Agency must purchase supplies and services from businesses awarded State Term Contracts by the Division of Procurement Services unless stated within the contract that it is NOT a mandatory contract.

[1] There is no limit regarding the dollar amount purchased as the contract has been competed by The Division of Procurement Services.

[2] A listing of State Term Contracts may be found on the Division of Procurement Services website (<https://procurement.sc.gov/contracts>).

(b) If a Requester finds equal products at a price at least 10% less than the State Term Contract price, the items may be purchased after offering the contract vendor the option to meet the lower price. If the contract vendor accepts the lower price, the Requester must purchase from the contracted vendor/contractor. The Requester must submit documentation of the price quoted reflecting a price that is at least 10% lower than the contracted price to the Agency Procurement Director for action. The Requester must include the current contract number on the requisition. No action may be taken until the Agency Procurement Director has negotiated with both vendors.

(3) Agency Term Contracts

(a) The Agency may establish Agency Term Contracts when a requirement for recurring supplies and/or services is identified, and the Agency will receive a benefit of lowered costs by entering such a contract.

(b) If applicable, the contract may be awarded for one (1) year term with a maximum of four (4) one-year renewal options.

(c) A contract or amendment, including, but not limited to, a change order or contract modification, is not effective against a governmental body unless the contract or amendment is in writing and signed by an officer having actual authority to bind the governmental body and the vendor/contractor.

g. Sole Source Procurements

(1) The Chief of Staff for State Operations is the Agency Approval Authority for Sole Source justifications.

(2) A Sole Source Purchase requisition may issued only when there is no other supplier for the supply or service. Examples of circumstances which could result in a Sole Source Procurement are:

- The compatibility of equipment or replacement parts is the foremost consideration
- A supplier's item is needed for trial use or testing
- The item is one of a kind

(3) The Requester must submit a completed Sole Source Justification Form through the Department Head or Program Manager to the Procurement Director for their review. The Requester will provide a detailed justification explaining why no other vendor will be suitable or acceptable to meet the need. The justification must contain sufficient factual grounds and reasoning to provide an informed, objective explanation for the decision, and must be accompanied by market research supporting the decision. In cases of reasonable doubt as to the procurement meeting sole source requirements, competition must be sought.

(4) The Procurement Director will submit the Justification Form to the Chief of Staff for State Operations for approval.

(5) The Requester will attach a copy of the approved Sole Source Justification Form to the Shopping Cart request.

(6) The Agency Procurement Director must publish an "Intent to Sole Source" in SCBO for a minimum of ten (10) days prior to the issuance of a Sole Source Purchase Order for all Purchase Orders exceeding \$50,000, or as deemed necessary by the Procurement Director.

(7) The vendor must provide a Drug Free Workplace Certification for Sole Source Procurements of \$50,000 or greater.

h. Emergency Procurement

(1) The Chief of Staff for State Operations is the Agency Approval Authority for Emergency Purchase Orders.

(2) An Emergency Purchase Order may be issued only when there exists an immediate threat to public health, welfare or safety under emergency conditions. Failure to properly plan does not create or authorize an emergency situation.

(3) An emergency condition is a situation which may arise as a result of acts of nature, epidemics, riots, equipment failure, fire loss or such other reason as may be proclaimed by the Governor or the Adjutant General. This condition must create an immediate and serious need for supplies, services, IT or construction that cannot be satisfied through normal procurement methods and would seriously threaten:

- The operation of the Agency;
- The preservation or protection of property; or
- The health or safety of any person.

(4) Emergency procurements are limited to those supplies, services, IT or construction items necessary to meet the emergency.

(5) The Requester must submit an Emergency Justification Form through the Department Head or Program Manager to the Agency Procurement Director for review. After review, the Agency Procurement Director will route the request to the Chief of Staff for State Operations for approval.

(6) The Emergency Justification request must include justification for the basis for an emergency procurement and for the selection of the particular vendor or supplier. The justification must contain sufficient factual grounds and reasoning to provide an informed objective explanation for the decision. The requestor may be asked to provide additional information to justify the determination.

(7) After approval, the Requester will attached the approved Emergency Justification form to the Shopping Cart as part of the submission for a Purchase Order.

(8) In all emergency procurements, the Requester and the Agency Procurement Department will attempt to obtain as much competition as is practical under the circumstances.

(9) Once an Emergency Procurement Purchase Order is issued, notification will be published in SCBO for a minimum of ten (10) days for notification of protest rights for all Purchase Orders exceeding \$50,000, or deemed necessary by the Agency Procurement Director.

(10)The vendor must provide a Drug Free Workplace Certification for Emergency Procurements of \$50,000 or greater.

i. Blanket Purchase Agreements

(1) Blanket Purchase Agreements (BPA) are a simplified method of filling repetitive needs for small quantities of miscellaneous supplies, services or IT by establishing “charge accounts” with qualified vendors. BPAs are designed to reduce administrative costs in accomplishing small purchases by eliminating the need for issuing individual Purchase Orders.

(2) BPAs shall be issued for a period of no longer than twelve (12) months.

(3) To the extent practical, BPAs should be placed concurrently with more than one vendor supplying the same type items or services.

(4) If the estimated amount of the BPAs are expected to exceed \$25,000 combined (whether one vendor or more than one is to be used), the requirement must be advertised.

(5) All competitive sources shall be given an equal opportunity to provide the supplies, services of IT.

(6) Terms and Conditions. BPAs shall contain the following provisions:

(a) Description of Agreement. A statement that the supplier shall furnish supplies, services, or IT, described therein in general terms, if and when requested by the Procurement Officer or their authorized representative during a specified period and within a stipulated aggregate amount, if any. BPAs agreements may encompass all items the supplier is in a position to furnish.

(b) Extent of Obligation. A statement that the State is obligated only to the extent of authorized calls actually placed against the BPA.

(c) Notice of Individuals Authorized to Place Calls and Dollar Limitations. A list of names of individuals authorized to place calls under the agreement, identified by organizational component, and the dollar limitation per call for each individual shall be furnished to the supplier by the Procurement Officer.

(d) Delivery tickets. All shipments under the agreement, except subscriptions and other charges for newspapers, magazines or other periodicals, shall be accompanied by delivery tickets or sales slips which shall contain the following minimum information as a minimum:

- Name of supplier
- BPA number
- Date of call
- Call number
- Itemized list of supplies, services, or IT furnished
- Quantity, unit price and extension of each item less applicable discounts (unit price and extensions need not be shown when incompatible with the use of automated systems provided that the invoice is itemized to show this information)
- Date of delivery or shipment

(e) Invoices. The vendor will issue an individual invoice for each delivery for Material and/or Services provided through a BPA.

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

(g) Calls Against BPAs. Calls against BPAs generally will be made orally or in writing. Requesters will document their BPA calls utilizing the Blank Purchase Agreement Log.

(h) Review of BPAs. The Agency will review BPA files at least semiannually to ensure that authorized procedures are being followed.

(i) Fiscal constraints:

- The total amount of the BPA may not exceed the Agency certification
- The total amount of all purchases may not exceed the dollar amount of the BPA
- The total dollar amount of an individual call placed against the BPA cannot exceed \$10,000 (could be less depending upon the dollar amount of the BPAs) A BPA is not a method to split purchases or to eliminate competition
- BPAs utilizing State funds expire at the close of business on the last day of the State Fiscal Year. No materials may be ordered or received after the last day of the State Fiscal Year
- BPAs utilizing Federal funds expire at the close of business on the last day of the Federal Fiscal Year. No materials may be ordered after the last day of the Federal Fiscal Year.

j. Information Technology Procurements

- (1) The Agency IT Director or their designee must approve all requisitions for IT procurements.
- (2) The procurement must follow all procedures and processes as outlined by this Policy and the SC Procurement Code and Regulations.
- (3) The Requester must attach an approved IT Approval Form to the Shopping Cart.

k. Procurement for Legal Services

- (1) No contract for the services of attorneys shall be awarded without the approval of the State Attorney General.
- (2) Should the State Attorney General grant the approval, the requestor will attach a copy of the approval to the Shopping Cart.

l. Leases, Lease/Payment, Installment Purchase, and Rental of Non-Real Property

(1) A Requester proposing to enter into an agreement other than an outright purchase is responsible for the justification of such action. Leases, lease/purchases, installment purchases and rental agreements are subject to the procedures of the SC Procurement Code and these Regulations.

(2) Upon written justification approved by the Agency Procurement Director, the following requirements must be met:

(a) The State of South Carolina Standard Equipment Agreement will be used in all cases unless modifications are approved by the Adjutant General. The Agency may enter into an agreement for the rental of equipment without using the Standard Equipment Agreement when the agreement has a total potential value of \$15,000 or less, or the agreement does not exceed ninety (90) days in duration.

(b) Installment purchases require the Agency to submit both a justification and a Purchase Requisition to the appropriate State Chief Procurement Officer or their designee for processing.

(c) All Lease/Purchase and Installment Sales contracts must contain an explicitly stated rate of interest to be incurred by the State under the contract.

(3) The lease of personal property (i.e., movable property such as equipment) must be accounted for under GASB 87. Excluded leased items are:

- Leased computer equipment, leased copy equipment and leased other equipment: \$5,000 or less
- Parking, postage equipment, PO boxes, storage space, towers and trash containers
- Short-term leases with a maximum possible lease term of 12 months or less

(4) Items leased/direct financed through the State Treasurer's Office Master Lease Program offered under Code § 1-1-1020 are currently listed under Procurement Code Exemption: Treasurer – Debt & Banking Functions; Financing of Lease/Purchase and do not require a Purchase Order to be used.

m. Construction, Architect-Engineer, Construction Management, and Land Surveying Services

See: 11-35-30xx (Sub article 3) of the SC Procurement Code
19-445.2145 of the SC Procurement Code Regulations
Manual for Planning and Execution of State Permanent Improvements

n. Procurements Between State Agencies

(1) Procurement actions between State Agencies are authorized when supported by a Justification for Contract between State Agencies Form.

(2) The Requester should complete lines A-F and the "Value of Contract" portion of the form prior to submission to Agency Procurement Director with special emphasis to clearly and completely justify how and why the contract will be beneficial to the Agency. The Requester should also include a copy of the contract/MOA to be executed if approved in Word format.

(3) The requestor must forward the justification to the Agency Procurement Director who will forward the documentation to the Division of Procurement Services for review and approval. No further action is authorized until the request is approved by the Division of Procurement Services.

(4) Once approved by the Division of Procurement Services, the Requester must submit a Funds Reservation Request Form to obligate the funds. The Requester must attach a copy of the approved Justification for Contract between State Agencies Form to the request.

o. Surplus Materials/Equipment

(1) Surplus property is all State-owned supplies and equipment not in actual public use with remaining useful life and available for disposal. This exclude the disposal of solid and hazardous wastes as defined by any Federal, State or local statutes and regulations. Property so defined as solid or hazardous waste will not be relocated nor title assumed under the authority of this Policy or the SC Procurement Regulations.

(2) The SC Department of Administration General Service Division's Surplus Property Management Office (SPMO) conducts the disposition of all surplus property at such places and in such manner determined most advantageous to the State except as defined in Section 11-35-1580 of the Procurement Code.

(3) Upon identification of surplus property, Agency employees must contact the Agency's State Property Book Officer. No property, regardless of the value, will be disposed of without the approval of the Property Book Officer.

p. Trade-In Sales

(1) Unless otherwise provided by law, the Agency may trade-in Agency property whose original unit price did not exceed \$5,000, the trade-in value of which may be applied to the procurement or lease of like items.

(2) When the trade-in value of Agency property exceeds \$5,000, the SC Department of Administration has the authority to determine whether the item may be traded in or classified as surplus property.

(3) The Procurement Department will quarterly submit quarterly a record listing all trade-in sales made, including any applicable written determinations, to the Division of Procurement Services.

q. **Vehicles**

(1) The State Term Contract Vehicle Contract must be used for acquiring vehicles unless the type of vehicle required is not listed. A list of the contracts and contract vehicles may be found on the Division of Procurement Services website (see "Vehicles" at "Good and Services Contract Search" at <https://procurement.sc.gov/contracts>).

(2) The Requester must submit a requisition and a letter to the Procurement Department from the Department Head or Program Manager stating the reasons the vehicle is necessary, if a currently owned vehicle is being turned in, a copy of the contract sheet for the specific vehicle, and the preferred color of the vehicle.

(3) Once approved, the Procurement Department will forward the Purchase Order to the Agency's State Property Book Manager for processing.

r. **Printing Services.** All printing services must be processed in accordance with the South Carolina Government Printing Services Manual (see "South Carolina Government Printing Services Manual" at <https://scmd.sc.gov/state-operations/forms> in the "Procurement" section)

s. **Permits and Licenses**

(1) Activities of the Agency which are required to obtain new or renew current operating permits or licenses will submit a Purchase Requisition for the permit or license.

(2) The Requester will include the following information in the description section of the Purchase Order Requisition:

- State or Federal Statute or Law that requires the permit or license
- Period covered
- Location
- Purpose

t. **Travel Expenses.** No expenses will be incurred prior to an individual obtaining approval for travel and/or training via an Agency Travel Request. Expenses include hotel registrations, conference registrations, airline tickets, etc.

u. **Receipt and Acceptance of Supplies or Services**

(1) Upon receipt and acceptance of supplies or services, the Requester must perform a goods receipt in the SRM system using a posting date as the date the supply or service was received.

(2) If the requirement was submitted manually, the authorized representative for the requesting activity will indicate acceptance of supplies or services by signature and date on the Purchase Order after verification and notation of any exceptions. The signed and dated Purchase Order shall be provided to whomever entered the Shopping Cart for the supplies or services, who will forward the documents to the Procurement Department.

v. **Invoices.** At a minimum, invoices must reflect the vendor's name and address, Purchase Order number, description, price and quantity of the materials/services delivered and a unique invoice number.

w. Payments

(1) Payments between State Agencies. Payments between State Agencies will be made via Inter Departmental Transfer (IDT) referencing the previously issued Funds Reservation.

(2) Direct Payments

(a) Direct Payments are financial payment transactions and are used for a direct payment to a vendor for the purchase of certain goods and services in limited circumstances. Direct Payments do not require a Purchase Order or Contract.

(b) The Direct Pay process should be used only when the Purchase Order method is not practicable and should not be used as a matter of convenience.

(c) Direct Payment is a method of payment, not a method of procurement. Use of the Direct Pay process does not supersede or waive any requirements of the Consolidated Procurement Code & Regulations.

(d) These payments are made on behalf of the Department Head or Program Manager by the Agency's State Budget and Finance Department for regulated utilities only. Otherwise, a direct payment must be accompanied by a Direct Pay Form.

(3) Purchase Order Payments. The requestor of the Purchase Order is responsible for verifying receipt of the supplies or services and pricing on the invoice are the prices agreed to on the Purchase Order. The Requester will indicate the quantity and unit price on each line of the Purchase Order to be paid for each invoice received.

(4) Partial Payments. Partial payments are authorized in such instances as making monthly payments on a Blanket Purchase Agreement, a Purchase Order for a monthly service or paying for a partial shipment of supplies while awaiting delivery of the remainder.

x. Receipt of Goods or Services

(1) If the request was submitted via the SRM system, the requestor will complete a goods receipt in the SRM system for the actual goods or services received using the date the supply or service was received as the posting date.

(2) If the requirement was submitted manually, after verification and notation of any exceptions, the authorized representative for the requesting activity will indicate acceptance of supplies or services by signature and date on the Purchase Order. The representative will forward the signed and dated Purchase Order to the employee who entered the Shopping Cart for the supplies or services who will forward the documents to the Procurement Department indicating which items were received and annotating the phrase "OK to Pay".

y. Unauthorized Commitments and Ratifications

(1) Ratification Approval Authority.

(a) The Adjutant General is the Agency Ratification Authority when the value of the procurement is within the Agency Certification limit. The Agency Procurement Director must review and make a recommendation on the proposed ratification.

(b) The Division of Procurement Services Chief Procurement Officer, as applicable, is the ratification authority when the unauthorized commitments exceed the Agency Certification limit. The State Procurement Director and Adjutant General must review and recommend the action.

(2) Any procurement action occurring prior to receiving an approved Purchase Order is considered an Unauthorized Procurement unless the purchase is made via the State Procurement Card.

(3) All Unauthorized Procurements require ratification prior to payment being made to the vendor/contractor. The Requester who committed or initiated the unauthorized commitment will submit a Ratification of Unauthorized Purchase Form through their Department Head or Program Manager to the Agency Procurement Director for review.

(4) The Agency Procurement Director will forward the Ratification Request through the Chief of Staff for State Operations and the Deputy Adjutant General to the Adjutant General for his review and approval.

z. Memorandums of Agreement Understanding (MOU)/Memorandums of Agreement (MOA)

(1) MOUs and MOAs should be treated as contracts.

(2) The Adjutant General or officially appointed Contracting Officers have signature authority for MOUs and MOAs.

(3) The Agency Procurement Director must review any MOU or MOA prior to signature.

aa. Leases of Real Property.

(1) The Agency will process all requests for leases of Agency real property through the Construction and Facilities Management Office (CFMO) and the SC Department of Administration, Division of Facilities Management and Property Services. A Purchase Order will be issued for all approved leases.

(2) All non-State owned leased land and buildings, regardless of amount, will be accounted for according to the GASB 87 reporting requirements.

(3) Items leased/direct financed through the State Treasurer's Office Master Lease Program offered under Code § 1-1-1020 are currently listed under Procurement Code Exemption: Treasurer – Debt & Banking Functions; Financing of Lease/Purchase and do not require a Purchase Order to be used.

bb. Fiscal Year Constraints

(1) State Fiscal Year

(a) The State Fiscal Year ends on 30 June.

(b) The obligating authority of State funds and Agency Purchase Orders expires at 2400 hours on 30 June.

(c) All items obligating State funds must be received by 2400 hours on 30 June. The invoices for any obligation must be submitted to the Procurement Department for processing by the date specified in an annual memorandum from the Agency Procurement Director, to the extent possible.

(2) Federal Fiscal Year

(a) The Federal Fiscal Year for Cooperative Agreement funds ends on 30 September unless otherwise specified in the Cooperative Agreement.

(b) All Federal funds must be obligated by 2400 hours on 30 September.

(c) An annual memorandum from the Agency Procurement Director will specify the date in which Federal funds must be obligated, to the extent possible.

cc. **Exemptions from the South Carolina Consolidated Procurement Code.** The SFAA Board may exempt certain items from purchasing procedures of the SC Procurement Code.

(1) A list of the approved exemptions may be found on the Division of Procurement Services website (See "Legal Exemption Table" at <https://www.procurement.sc.gov/legal/procurement-law#Exemptions%20from%20Procurement%20Code%20-%20Current%20List>).

(2) When submitting for an exemption, the requestor must cite the specific exemption name on the request.

dd. **Records**

(1) The Agency will maintain records of all procurement activities in accordance with the State Procurement Code and Regulations, State Records Retention Schedules and the Cooperative Agreements Records Retention Schedule as applicable.

(2) The SCEIS system is the book of record for procurement documentation. All documents associated with a procurement action will be electronically attached to that procurement action in the SRM system.

(3) The Cooperative Agreement Grants Coordinator will maintain copies of the appointment letters for Federal Program Managers.

PROCEDURES

1. Submitting Purchase Requisitions

a. Requestors will initiate the procurement of supplies, services, construction and IT by submitting an electronic request (Shopping Cart) through SRM.

(1) If the requestor does not have SRM access, they may manually submit a Purchase Requisition form or a Framework Purchase Order form to the State Procurement Department.

(2) All Cooperative Agreement Appendices and Departments should have a designated person to enter Shopping Carts and perform goods receipts upon receipt of goods and services.

(3) The Framework Purchase Order will NOT encumber funds and should only be used in cases of emergency, such as State Active Duty or other special circumstances.

b. Responsibilities for completion of the requisition:

(1) Requesting Individual

(a) Automated Requisition (i.e. Shopping Cart). Follow the "Shopping Cart Instructions" checklist for requisition input.

(b) Manual Requisition (i.e., preparation of a Purchase Requisition Form)

- Complete and ensure all pertinent sections of the requisition are accurate and legible.
- Include a detailed item description and attach any quotes and/or specifications.

- Enter the building number or facility designation and project/work order number in the text of the requisition. If request is for vehicle repair, include the vehicle identification and license tag number.
- Route the Requisition Form to the proper approving official for approval and signature.

(2) Authorizing Official

- Verify the requested materials/services are authorized under the laws and regulations pertaining to the source of funding and regulatory guidance.
- Ensure funds are available and properly identified to support the request.
- Ensure the request is following all terms, conditions and standards of the Agency, Cooperative Agreement or Grant regulations as applicable.
- Verify all information required to issue a Purchase Order is entered (e.g., signatures, clear statement of requirement, correct accounting information, shipping/delivery data, contract number, etc.)
- Sign and date the Authorization Block of the requisition.

(3) Procurement Department

- Review and verify prices of requested supplies, services, construction or IT.
- Determine if the requested supplies/services are on State Contract.
- If the requisition is \$10,000 or less, determine and notate if the price is fair and reasonable
- If the requisition exceeds \$10,000, review quotations and specifications to ensure compliance with the SC Procurement Code.
- Advertise requirement if the total cost is estimated to exceed \$25,000 and is within Agency Certification.
- Process requests that exceed Agency Certification or those requiring additional authorization to the Division of Procurement Services.
- Approve, issue and distribute approved Purchase Orders to the Requester(s).

2. Submission of Invoices

a. Automated Submission

(1) If the request was submitted via the SRM system (Shopping Cart), the requestor will complete a goods receipt in the SRM system for the actual goods or services received, using the date the supply or service was received as the posting date.

(2) The requestor will forward an invoice packet to the Procurement Department.

b. Manual Submissions

(1) The authorized representative for the requested procurement will verify receipt of the goods or services, notate any exceptions on the Purchase Order, and sign and date the Purchase Order to indicate acceptance of the goods or services.

(2) The authorized representative will write "OK to Pay" on the Purchase Order and forward the signed and dated Purchase Order to whomever entered the Shopping Cart for the purchase.

(3) The Shopping Cart clerk will perform the goods receipt in SCEIS and forward an Invoice packet to the Procurement Department.

c. Invoice Packets

(1) The requester or Shopping Cart clerk must hand deliver or email (to *invoices@tag.scmd.state.sc.us*) an Invoice Packet to the Procurement Department.

(2) Packet Format

(a) A copy of the Invoice is the first document in the Packet.

(b) A copy of the approved Purchase Order or Funds Reservation is second document.

[1] Each line to be paid on the Purchase Order must indicate the quantity and unit price for each invoice and be clearly marked on the Purchase Order.

[2] In cases where a specific line on a Purchase Order will not be paid, that line should be lined through.

[3] Write the total amount to be paid on the last page of the Purchase Order for each invoice.

(c) Attach any additional information behind the Purchase Order.

(3) The Procurement Department will verify the goods receipt and forward the Packet to Accounts Payable.

(4) Personnel from the SC Emergency Management Division will follow their internal procedures for submission of invoices.

3. Entering Leased Property Into SCEIS

a. Includes the lease of non-state owned real property (i.e. immovable property such as land and buildings) and the lease of personal property (i.e. movable property such as equipment).

b. Enter all leases/rentals, whether excluded from GASB 87 or not, using Purchase Order type ZOPE – LEASE/RENTAL PO.

(1) If the lease is accounted for under GASB 87:

- Use Purchase Order type ZOPE
- The asset is NOT assigned on the Purchase Order

- Shopping carts and POs need to be set up using the correct principal and interest splits. The PO must contain a line for the principal portion of the lease payment and a line for the interest portion of the lease payment.
- All vendor payments made should reconcile to the individual amortization schedules

(2) If the lease is excluded from GASB 87:

- Use purchase order type ZOPE
- No asset will be created
- Do NOT split payments between principal and interest. Record the entire payment as a lease or rent expense