

Procurement Guidelines for Subrecipients

The purpose of this document is to provide a basic understanding of some of the requirements of the State's Procurement laws and regulations in order to help guide the development of subrecipient policies. This document is not comprehensive of all requirements that may be applicable to purchases that you may make. You should review the S.C. Consolidated Procurement Code and Regulations for complete information. The full text of the S.C. Consolidated Procurement Code can be found at <https://www.scstatehouse.gov/code/t11c035.php>. The full text of the Regulations can be found at <https://www.scstatehouse.gov/coderegs/Chapter%2019.pdf>.

Purchases under \$10,000.00

Small purchases not exceeding \$10,000 can be made without securing multiple competitive quotations if the prices are considered fair and reasonable. At least one quote is required however. The request must be annotated "Price is fair and reasonable" and must be signed by the buyer. Multiple quotes, though not required, are often used to demonstrate that a price is "fair and reasonable." 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. Purchases cannot be artificially divided in order to avoid competition.

Three written quotes

Written requests for written quotes from a minimum of three qualified vendors must be made for purchases greater than \$10,000 but not in excess of \$25,000, or for commercially available off the shelf products not in excess of \$100,000. You must receive and retain in the purchase file at least three bona fide, responsive, and responsible quotes. The written request for quotes must include a purchase description. Requests must be distributed equitably among qualified suppliers. Purchases cannot be artificially divided in order to avoid competition.

Advertised purchases

Written solicitation of written quotes, bids, or proposals must be made for a purchase, other than for commercially available off the shelf products, above \$25,000. The solicitation must be advertised publicly in an appropriate widely distributed publication. At a minimum, the advertisement must contain (1) a description of the goods or services to be acquired, (2) how to obtain a copy of the solicitation, (3) when and where responses are due, and (4) the place of performance or delivery. The advertisement must be published with adequate notice in advance of the due date to allow for response by the prospective vendors, and in no case should notice be less than 7 days prior to the due date. A copy of the written solicitation and written quotes or proposals must be retained in the purchase file. The award must be made to the lowest responsive and responsible source or, when a request for proposal process is used, the highest ranking offeror.

Procurement File Retention

The Procurement file must contain, at a minimum, copies of all quotes or proposals received, copies of written solicitations or written requests for quotations, copies of all written communications and e-mails related to the purchase, and a copy of the purchase order if a purchase order was used. The procurement file must be retained for three years after the date of the last payment is made or longer if the grant specifies a longer retention schedule.