



U N I V E R S I T Y O F
SOUTH CAROLINA

DATE: June 22, 2006
TO: Business Managers and Purchasing Card Liaisons
FROM: Venis Manigo, Director of Procurement
RE: Changes in Procurement Laws

On June 13, 2006, Governor Mark Sanford signed a law that enacted several changes to the SC Consolidated Procurement Code. A summary of the changes that may impact your departmental operations are outlined below:

<u>NEW THRESHOLD</u>	<u>COMPETITION REQUIRED</u>
Up to \$2,500	None, as long as the price is deemed fair and reasonable
>\$2,500 - \$10,000	Solicitation of 3 written quotes
>\$10,000 - \$50,000	Preparation of a written solicitation for quotes by the Purchasing department, advertisement in South Carolina Business Opportunities (SCBO)

As the threshold for competition has increased from \$1,500 TO \$2,500, the single transaction limit for VISA Purchasing Cards has been increased to \$2,500.

For your reference, we have attached a chart which cross-references the old procedures with the new procedures. Please contact the Purchasing department if you have any questions concerning these changes. We may be reached at 777-4115.

(ATTACHMENT)

REVISED PROCUREMENT POLICY

OLD

NEW

1. Small purchases not exceeding \$1,500.00 may be accomplished without competition if prices are determined to be "fair and reasonable" by the procurement officer.	Revised to \$2,500.00
2. Purchases from \$1,500.01 to \$5,000.00 require a minimum of verbal or written quotes from qualified vendors.	Revised to \$2,500.01 - \$10,000.00 Solicitation of 3 written quotes
3. Purchases from \$5,000.01 to \$10,000.00 require a minimum of three written quotes from qualified vendors.	Revised to \$2,500.01 - \$10,000.00 Solicitation of 3 written quotes
4. Purchases from \$10,000.01 to \$25,000.00 will be handled by the Purchasing Department who will solicit written quotes as well as advertising the requirements in the South Carolina Business Opportunities publication.	Revised to \$10,000.01 - \$50,000.00
5. Purchases exceeding \$25,000.00 will require a formal sealed solicitation by the Purchasing Department.	Revised to \$50,000.00