

The Purchasing Post

Sole Sourcing

Purchasing policy requires competition to be sought in all purchases exceeding \$5000. However there are times when the competitive bid process is not reasonable because competition doesn't exist. When these sole source situations occur, departments are to submit a written justification on the K-State Prior Authorization form regarding the solitary source situation to K-State Purchasing Office for review and approval. The following information should help guide departments in determining whether a sole source situation applies or not.

*Line item in the grant – The grantor has approved that specific brand from that specific vendor at that specific price as part of the overall grant funding/budget. A generic listing of the item/service dictates bids be solicited.

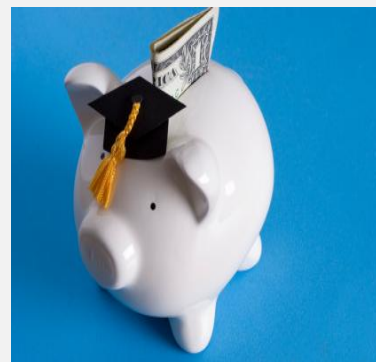
*Letter from the grantor – Departments may acquire a letter of approval from the grantor for a specific brand from a specific vendor at a specific price to be paid with the grant funds.

*Research equipment/supplies – Purchasing understands compatibility with existing equipment to ensure consistent results in research is critical. Wanting the same brand of equipment for classrooms or because of maintenance knowledge or existing parts already in inventory is nice but not usually necessary. Sometimes diversity is a good thing.

*Training or consulting – Very difficult to summarize what is needed in a trainer or consultant. Sometimes bidding is possible. Sometimes the complex attributes a vendor brings to the process is hard to quantify and defend the spending of large dollar amounts. Purchasing will work with departments as the situations arise.

*Patent or copyright – A letter from the vendor verifying the special status is needed, along with a statement from the end-user stating why that unique feature is needed.

Oops! Out of room. More to follow next month.



Dates to Remember

(Refer to green Memo #10-03, dated April 20, 2010 for details.)

FY 10

May 28, 2010 – Purchase requisitions under \$25,000 due

June 21, 2010 – Payment vouchers (payment, travel, interfund, BPC) due

June 25, 2010 – Encumbrance forms (KSU118) due

FY11

July 1, 2010 – Purchases with FY11 funds will be placed. (Feel free to send purchase requisitions now. Bid process will occur but the orders will be held)

