

The Purchasing Post

Order Splitting

It is well-known that buying in bulk saves money. In our own personal lives, we take advantage of the 2for1 sales or buy 10 for \$10. If one has the storage capacity or one knows they will repeatedly use an item or service, it makes sense (cents!) to buy large quantities or sign a three-year service agreement. Suppliers will discount the unit cost on large orders, freight cost is spread out over more items, and the paperwork of orders and payments is reduced. Time is saved and time is money, too.

This philosophy of saving money is addressed in K-State's Policy & Procedure Manual, Chapter 6310 – Purchasing Procedures, Section .020 – Responsibilities, Points 4, 5, & 6.

4. Combining orders for relatively similar type of materials or services on one Purchase Requisition in order that bids may be obtained.
5. Using Purchase Requisitions for items to be placed in "stock" for future use or when savings will result by using the facilities of Purchasing.
6. Not dividing invoices to keep within the dollar limitation.

K-State Purchasing's dollar limitation is 5000. Five thousand is the number where the competitive bid requirement kicks in. 5K is the number where enough money is being spent that a closer look is taken on the how & the why of the expenditure. Don't split orders or payments to keep them under the \$5000 mark because 1.) it is in violation of the competitive bid requirement and 2.) it costs the University money. Plus be sure to look at the total purchase commitment, not the individual item, to guide the proper purchasing steps.



Welcome

Dora Gerlaugh is the new voice on the phone at K-State Purchasing.

Her first day as our Administrative Specialist was Wednesday, Feb. 16.

Dora is from the Clay Center, KS area originally and definitely bleeds purple.

She worked at College of Veterinary Medicine several years ago, moved to the Kansas City area for a while, and has now come full circle, back to Manhattan and K-State.

Stop in and say "hello" to Dora if you are in the area.

