

# The Purchasing Post

## Sole Source Rationales

(Continued from May issue)

\*Original equipment manufacturer maintenance or upgrade services – Equipment is so specialized that only the manufacturer can repair it. Be advised there does exist maintenance management vendors, such as REMI, contract #11702, who can oversee maintenance programs on a multitude of equipment.

\*Require equipment, supplies, or services that are compatible with existing equipment – Some OEM's have authorized dealers, or departments will do the repair work but need to buy parts, or certain reagents are needed to work in the equipment; all valid reasons for sole source rationale. Note: the OEM must declare a dealer a sole source. Sometimes competition is possible among dealers.

\*Computer software that is available only from the software developer – Careful here! Always check with the software contract vendor first (currently SHI, #07359). Also be advised that there may be more than one brand of software that could provide the same end result. However some software is so unique and the vendors who create the software will only sell it directly. This rationale requires some homework.

\*Purchase of used equipment – Bidding used equipment and making sure that the items quoted are equal is tricky. Plus when buying equipment at auction, one has to act immediately, no time for the bid process. When justifying the purchase of used equipment, always include age of equipment, condition/warranty, and cost of the brand-new, current version.

\*Emergency – Threats to public health, safety, and/or property occur suddenly due to weather, equipment failures, etc. During these situations, time is the most critical factor and the normal bid procedures cannot be met. Purchasing should be one of the first contacts made when the emergency situation arises/discovered. Dates are needed in the justification, i.e. when did the emergency occur, what vendors were contacted and how soon can they respond, what temporary steps are necessary to address the emergency until repairs are completed, etc.

Be Advised – Price is never a valid reason for a sole source. Price is what the bid process is all about.



## Dates to Remember

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

### **FY 10**

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

June 25, 2010 – Encumbrance forms (KSU118) due

### **HAPPY NEW (FISCAL) YEAR**

### **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)

**HAPPY 4<sup>TH</sup> OF JULY, TOO!**

