This document is intended as a guide for purchasing procedures for the South Dakota School of Mines & Technology (SD Mines). If you need clarification on anything or have additional questions, please contact Business Services at SD Mines:

Barb Mustard, Director of Business Services – 605-394-2228 or Barbara.Mustard@sdsmt.edu
Brenda DenOtter, Purchasing Specialist– 605-394-2512 or Brenda.DenOtter@sdsmt.edu
Cindy Westphal, Accounts Payable – 605-394-1209 or Cindy.Westphal@sdsmt.edu

The Business Services Department will not negotiate for personal purchases. Faculty and staff members are not allowed to order personal items under the name of SD Mines.


State Contract Purchases

Contracts maintained by the State of South Dakota should be considered your first source for supplies, equipment, and service. This includes all Cooperative Agreements recognized by the State of SD. Contracts may be viewed through SDezbuy punchout and hosted catalogs or on the state site located at: http://www.state.sd.us/boa/opm/state_contracts.htm

Shared Services

Procurement at SD Mines is part of a centralized purchasing system for the state of South Dakota and therefore governed by the policies of the South Dakota Board of Regents (Policy 5:4). All requisitions are submitted through SDezBuy to the buyer of the commodity, who in turn, will process according to the policies of the Board of Regents and Bureau of Administration. There are seven Purchasing buyers (throughout the SDBOR) who handle the commodities. SDezBuy allows departments to specify a particular buyer on their requisition for their purchases. Please reference the “Purchasing Commodity Code to Account Code Crosswalk” in SNAP for commodity/account/buyer information.

All invoices for purchase orders (PO) are sent to Brookings, South Dakota (SDSU) to Shared Services Accounts Payable (SSAP) by the vendor or End User who submitted the requisition. SSAP will process the invoice and send a check to the vendor on the PO.

Bidding

Local bidding procedures that will ensure competitive procurement procedures and that follow the guidelines adopted by the Office of Procurement Management shall be adopted.
COMPUTERS and COMPUTER HARDWARE & SOFTWARE:

All computers and computer hardware and software are required to be purchased through a requisition, of any dollar amount. ITS will review and approve these requisitions before they are sent on to the Buyer.

COMPUTER RELATED ITEMS ONLY:

$0 to $499.99  Obtain from the best source that will provide the highest quality at the most competitive price. Required to be submitted on a purchase order, or If you are unable to find a vendor that will accept a purchase order for your purchase, other arrangements may be made.

$500 and over  Process a purchase requisition thru SDezbuy and attach at least one written quote. The SD Mines ITS office will approve the requisition before it is sent to the buyer for Purchasing approval.

PRINTING, PROMOTIONAL ITEMS, and UNIFORMS & CLOTHING:

When purchasing any of these three commodities (62000, 62500, and 78500-except clothing purchased through the Rocker Shop) a requisition is required, and is passed through University Relations (UR) in the SDezBuy Workflow first to ensure brand compliance, and is then sent to the buyer for Purchasing approval.

➢ Printing Services

All printing services (for any dollar amount) are required to be processed on a requisition in SDezBuy and a PDF of the artwork or logo must be attached.

- Printing from $1,000 to $3,999 also requires a quote to be attached to the requisition.
- Printing over $4,000, also requires that the specifications for the printing be attached to the requisition. All printing will be bid through SDBOR Sourcing Manager Web Based system or sent to Office of Procurement Management (OPM) to be bid.

Any publication, pamphlet, flyer, or brochure of total cost exceeding $100 to distribute to the public at large, must bear inscription:

- # of copies made
- Cost per copy
- Name of printer
Exempt items: recruitment of students, grad programs, diplomas, programs for athletic events that are sold to the general public, etc. Refer to the following link for more detail: http://legis.state.sd.us.rules.index.aspx.

➢ Promotional Items

There must be a PDF of the artwork or logo attached to the requisition.

➢ Clothing/Uniforms

There must be a PDF of the artwork or logo attached to the requisitions, along with a list of names of people that will have the clothing. If the clothing is purchased through the SD Mines Rocker Shop (Bookstore), no PO or UR approval is needed.

SUPPLIES AND EQUIPMENT PURCHASES:

$0 - $999.99
Obtain product(s) from the best source that will provide the highest quality at the most competitive price. All purchases of supplies and equipment are required to be submitted on a requisition using SDezBuy (you do not need to attach a quote if the total is under $1,000).

For items under $1,000, if you are unable to find a vendor that will accept a purchase order for your purchase, you may use your department’s p-card (if your department has one, and if p-card policies are followed), or other arrangements may be made for direct bill or personal reimbursement (taxes will not be reimbursed).

$1,000-$3,999.99
Process a purchase requisition thru SDezbuy and attach at least ONE written quote. The quote must include any shipping, freight and installation charges. Please see “Obtaining Written Quotes” at the end of the policies for a full description of what is required on a quote. It is highly recommended to obtain other competitive quotes to ensure you are obtaining the best possible price for SD Mines. Your requisition will be routed to SD Mines Purchasing or the shared buyer. The responsible buyer will make the final decision whether to solicit additional quotes in the best interest of the university. There is no option for direct bill or reimbursement for supplies and equipment greater than $1,000, it must be purchased through a PO.

$4,000 - $24,999.99
Process a purchase requisition thru SDezbuy and attach detailed written specifications using the Specification Form found on the Finance tab on SNAP. Information on sole source and/or emergencies is listed below. The responsible buyer will solicit quotes through SDBOR Sourcing Manager web based bidding system. Approval by Office of Procurement Management (OPM) is required and will be handled by the buyer.

$25,000.00 and over
Process a purchase requisition using SDezbuy and attach detailed written
specifications using the Specification Form found on the Finance tab on SNAP. This category must be bid by the Office of Procurement Management.

Sole Source/Emergencies – Occasionally an item/service is only available from one vendor OR is required in a short period of time to not allow bidding. If your purchase falls in this category, you may be asked to attach a Sole Source and/or Emergency Form which can be found on the Finance tab on SNAP.

Board of Regents Approval Limits

Purchase of capital assets with a unit cost between $250,000 and $500,000 must be approved by the Executive Director of the Board of Regents. Purchase of capital assets with a unit cost exceeding $500,000 must be approved by the full Board of Regents. Please contact the SD Mines Purchasing Office for more information on this process.

(Purchases may not be split to avoid the provisions of these procedures)

EXEMPT ITEMS: Certain items are exempt from the state bid laws per SDCL 5-18A-22. Items included in this exemption: computer hardware and software, computer peripherals, communication technology items, published books, perishable foods, equipment repairs, chemical and biological products, medical supplies, works of art, animals, feed, seed and supplies used on farms and equipment and supplies purchased with externally funded research funds.

Process a purchase requisition thru SDezbuy for any purchase of exempt items over $1000 ($500 if computer related) and attach 1) at least one written quote or 2) a specification form (if you want the responsible buyer to bid it). It is highly recommended to obtain other competitive quotes to ensure you are obtaining the best possible price for SD Mines. The responsible buyer will make the final decision on whether to solicit additional quotes in the best interest of the university. A sole source and/or emergency justification may be required.

Requisition/Purchase Order Approval

For requisitions sent to a buyer on our campus, the requisition is completed correctly, and it does not need to be sent to a shared buyer (or OPM) and it does not need to be bid, please allow a minimum of 24 to 48 hours (excluding weekends and holidays) after submittal of a requisition, for it to be processed.

If the requisition goes to another campus’ buyer or OPM, and if it needs to be bid or extra quotes acquired, it may take longer than the minimum time. Most bids are advertised for a week or two, depending on State law.

Please plan accordingly.
SERVICES:

Non-Professional Services

Contracts for non-professional services in excess of $25,000 must be awarded through a competitive bid process. This process may include a sealed bid process or Request for Proposal (RFP). Non-professional services include services which are typically physical or manual in nature. This RFP process must be advertised per SDCL 5-18A-14. Examples include: bussing contracts, snow removal, garbage contract, etc. Construction and public improvement projects are not considered services and are governed by BOR Policy 6.

Professional Services

Contracts for professional services in excess of $50,000 must be awarded thru a RFP process. The requirements are listed in SDCL 5-18D-17 thru 5-18D-22. Professional services are classified as: services arising out of a vocation, calling, occupation, or employment involving specialized knowledge, labor or skill, and the labor or skill involved is predominantly mental or intellectual, rather than physical or manual.

DIRECT BILLS/REIMBURSEMENTS:

Direct Bills

- A direct bill may be issued to SD Mines for a service. There should not be tax charged; SD Mines is exempt from sales tax.

- Only when a vendor does not accept a PO, and another vendor is not available, may equipment and supplies under $1,000 be direct billed.

- All direct bills must have the following information on them for processing:
  - Vendor A# - look u vendor in FAIVNDH
    - If vendor is not in the system, have them fill-out a W9 so they may get inputted in to the system
  - Commodity Code – found on commodity crosswalk
  - Account Code – found on commodity crosswalk
  - Index/Grant Account – account to pay for charges
  - Authorized Signature for Index or Grant

- Departments are responsible to check on direct bills and resolve issues with the vendor – discrepancies on invoice, tax charges, etc.
  - Direct bills should be tracked so bills are paid on time (hotel direct bills, contract payments, etc.)
Reimbursement (check request to Accounts Payable)

- Reimbursement for purchases – food and entertainment – and only items that cannot be purchased any other way than through personal funds
- **Sales Tax is not reimbursed on any purchases that are not food or entertainment**
- Attach to check request:
  - Proof of payment – original receipt (credit card statement if you do not have the receipt, no screen shots of the statement)
  - List of legible names for: food, clothing, and ticketed items (notate any employees on the list)
  - Explain the purchase on the form – what, where, when, who, how
  - You may not be reimbursed for a purchase until the item is received

Reimbursement (Petty Cash)

- You may be reimbursed with Petty Cash for purchases $50 and under.
- Reimbursed at the Cashier's Office for expenses incurred for your department
- Purchases are not allowed with petty cash:
  - Computer hardware or software purchases
  - NO food, decorations, or travel
  - NO photos
  - Cannot split orders to keep them under $50
- Must have original, detailed receipt to be reimbursed

**Please allow up to two weeks, after submittal, for direct bills/invoices and reimbursements to be processed/paid. Please plan accordingly.**

**MISCELLANEOUS:**

Debarred and/or Suspended Vendors

Per federal law, any purchase made from federal funds exceeding $25,000 may not be made from a vendor that has been debarred or suspended from doing business with the federal government. Any purchase meeting this requirement shall be certified by checking the following web site: [https://www.epls.gov/](https://www.epls.gov/) and a copy of the results should be attached to the purchase requisition.

Terms and Conditions

Many vendors provide terms and conditions with their quotes. Those need to be reviewed by the department before processing the requisition. The particular buyer and/or the SD MINES Purchasing Office will also review them for language that is required by the Board of Regents.
Obtaining Written Quotes

It is important that you obtain a complete written quote from the vendor. It needs to be detailed to include the model #’s of the items/service you are purchasing, freight costs (if applicable), a complete address/phone/fax of the vendor and a signature (if possible). If the quote references terms and conditions and they aren’t included, ask for them also. Email quotes are acceptable ONLY if they include everything mentioned above in the email.

Environmentally Preferred Products

Bureau of Administration Administrative Rules 10:02:05:01 through 10:02:05:15 pertain to the use of environmentally preferred products when purchasing printing projects, paper stock, and cleaning and maintenance equipment and supplies. Refer to these rules when purchasing these items. If the total cost of recycled paper exceeds the cost of virgin stock by 5% or more, virgin stock may be used.

SDezBuy training tools

All training for SDezBuy can be found on SNAP.

SNAP → Finance (tab) → Purchasing Tools → Purchasing Training Resources (click)

http://snap.sdbor.edu/tag.f15f2d6a627e6eb1.render.userLayoutRootNode.uP?uP_root=root&uP_sparam=activeTab&activeTab=u281s52&uP_tparam=frm&frm=