



UPPWords

News from University Procurement Professionals

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STATE PURCHASING LAW CHANGES BEGIN JULY 1, 2010

by Darby Ganschow, USD

During the 2010 Legislative session, House Bill 1046 was introduced and passed. The new law (SDCL 5-18A-D) became effective July 1, 2010 and clarifies many of the procurement laws which were adopted years ago. The new law also changes some of the requirements for public purchasing. Following are some of the most significant changes and an explanation of how they affect SDBOR institutions.

5-18A-11 – Services (non-professional) up to \$25,000 may be contracted for without soliciting competitive quotes. Although competitive quotes are not required, competition can create cost savings. The University Purchasing Offices will determine if competitive quotes should be solicited for these services. Services exceeding \$25,000 require formal advertisement of the bid or proposal.

5-18A-11 also states that the purchase of supplies and equipment with a total cost of \$1,000 - \$25,000 require a minimum of three competitive quotes. Previously any order over \$10,000 required a public advertisement of the bid and the bid process had to be handled by the Office of Procurement Management.

SDBOR Purchasing Offices will continue to solicit competitive quotes on behalf of the institutions. Orders in excess of \$25,000 will be advertised and bid by the Office of Procurement Management unless the item is considered exempt by state law.

On supply purchases over \$25,000, if a brand name or equal specification is used, the agency must submit written justification with the requisition and attempt to identify at least two other brand name items that are considered equivalent to the item required.

If only one brand of item is acceptable, the agency must submit a written justification on the Sole Source Request Form found on the SNAP portal.

5-18A-3 now allows the use of sealed proposals as a method to procure supplies and equipment when factors other than cost must be considered.

5-18A-9 clarifies the use of emergency orders. Emergency orders are allowed only if there is a threat to public health, welfare or safety. Failure to plan accordingly will not be considered a reason for an emergency order.

Senate Bill 82 was introduced and passed the 2010 session also. This new law requires all contracts exceeding \$10,000 be posted on an open government site. SDBOR will be using the State's web site for publishing these contracts.

These are just a few of the changes and the most significant. **Note: There has been no change to the requirements established by your university as to when a purchase requisition is required.** If you have questions regarding the new laws, please contact your University Purchasing Office for additional information.

**Instructions for
Property Management Appraisal Sheet**
by Vicki Soren, SDSU

When a university wants to trade a piece of equipment in towards the purchase of another piece of equipment, the State Property Management Office needs to appraise it. This form needs to be completed and attached to your requisition for further processing. Your university will contact that office and get the appraised value of the equipment. The vendor offering to take it as a trade-in will need to offer 90% of the appraisal value. The respective buyer handling your requisition will determine whether we can accept the vendor's offer.

Please give as much information as possible.

Date: type in the date you are preparing the form.

Department: type in your university and department name.

Present Location of Equipment: be specific – if it is in a closet in a storage area, explain that.

Fixed Asset No.: this is the number that is assigned by your university to identify it. Normally it starts with SD or S, but older ones could be anything. It's also possible the asset doesn't have a number (if under the dollar limit at the purchase date) – if so, type N/A.

Purchase Date: be as accurate as possible. Using the fixed asset number (if you have) on Banner screen FFIMAST may help you.

Purchase Cost: be as accurate as possible. Using the fixed asset number (if you have) on Banner screen FFIMAST may help you.

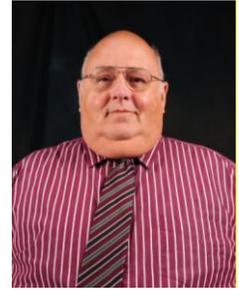
Year, Make, Model, S/N, Hours/Mileage: this is self explanatory – give as much information as you can get from looking at the equipment or paper documentation (invoice, manual).

Description of Equipment: give as much information as you can about the equipment. If it a copier and it has 2 million copies and the ADF doesn't work – explain that. The more information you provide the more accurate appraisal will be.

If you have ANY questions completing this form, contact your University Purchasing Office.

Jerry Swarts Retires

by Lorraine Talks, BHSU



On June 21st, long time Black Hills State University University Support Services Director, Jerry Swarts, gladly welcomed a much deserved retirement. Jerry started his forty year long Black Hills State University career in 1969. He started as Manager of the Bookstore until 1989 when he became Director of Purchasing, which a year later, he also added the position as Director of Supplies & Services. In 1993, Jerry took the position as Director of Institutional Support Services. Jerry's final transition came, in 1997, when he accepted the position as Director of University Support Services. This position included Purchasing, land-line/cell phones, travel, vending contracts, laundry, Central Receiving department, the University Print Center and other areas of support, for the campus, including the major Blackboard System. Due to Jerry's diligence and efforts and his acquired knowledge with this electronic system, Blackboard recognized him by appointing him to their Board of Directors.

Jerry's wife, Hanna, who worked as the Lead Mail Room Processor for Black Hills State University, joined Jerry and jumped on the retirement wagon on June 21st, as well, after 35 years of service.

Jerry and Hanna have a 5th wheel and have many plans to use it to visit family and friends in Arizona, their son, Josh and his wife, in Kentucky and their much adored grandson, Zack, in North Dakota. They currently plan to spend most of July loving and spoiling Zack.

We, at the Black Hills State University, University Support Services office, wish him and Hanna many years of blissful retirement and he and his vast knowledge will be missed on campus.

NJPA Cooperative Contract – Permissive Use

1. Always check state contract first
2. If not available on a state contract, check the WSCA Agreements and NJPA Cooperative Contracts
3. BIT Moratorium will be requested by purchasing staff, if required

UPP Member Spotlight!



Earl Weisenburger, Purchasing Director
Northern State University

Earl Weisenburger is the Purchasing Director for Northern State University (NSU). Earl joined NSU as the Purchasing Director in 1992 and has 33 years purchasing experience. Prior to NSU he was a Buyer for 4 ½ years for Super 8 Motels Headquarters and for 10 ½ years was the Office Manager & Purchasing Agent at House of Glass both in Aberdeen. He is the Shared Buyer for SDBOR the following Commodities: Cleaning Equip/Supplies, Food Service Equip/Appliances, HVAC Equip, MRO Equip/Supplies, Safety & Security Equip/Supplies and Transportation Vehicles for SDBOR. He along with one staff assistant place all orders for NSU. Along with his purchasing duties he also is the Property Management Officer.

Earl and wife Pat of 32 years have two grown children both in Minneapolis – a daughter Coranne, married, is a Landscape Architect/Designer and son Quent is a Coordinator Team Leader for a company that provides Customer Service to various companies. In his spare time Earl likes to spend it hunting, golfing, playing cards, piddling at his farm land and being with family and friends.

Value of E&I Contracts by Linda Van De Rostyne, USD

UPP has implemented several punchout catalogs which use the Educational & Institutional (E&I) Cooperative Purchasing contract pricing. Although use of these catalogs is not mandatory, as all state contract catalogs are, they are recommended when there is a cost savings. An E&I extra benefit is that freight will not be added to the invoice (exception: when overweight or oversize).

Here's just one example of when the Gov Connection punchout provided a significant cost savings:

7 each IDKA-234112B ID Tech VersaKey Keyboard w/Mag Stripe Reader
Requisition price \$89.77, Gov Connection punchout \$71.71.

6 each 21040145 MagTeck Magstripe Mini-Swipe Reader-Magnetic Card, USB
Requisition price \$63.83, Gov Connection punchout \$50.17.

Requisition total: \$1011.37 plus freight -> Gov Connection total: \$802.99

Total Savings with Gov Connection E&I punchout: **\$208.38**
(plus the freight savings)

This shows a significant savings using just one of the punchout catalogs. Before submitting your next order through Xxxx vendor, consider shopping the punchout catalogs on SDezBuy. It may be that you can stretch your budget and use the funds for other necessities.

If you have any questions regarding punchout catalogs, please call the UPP Member at your campus.

UPP Members

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