



Direct Buy Purchases Procedure

Applies to: Any state office or activity of the executive branch of state government, including state agencies, departments, offices, divisions, boards, commissions, institutions of higher education as defined in [RCW 28B.10.016](#) and correctional and other types of institutions.

This procedure document outlines the implementation steps for the Direct Buy Policy and includes both guidance and compliance requirements. Any step or instruction that uses the term “must” reflects a mandatory action that agencies are expected to follow to remain in compliance with the Direct Buy Policy. Agencies should treat these elements as enforceable standards, not optional practices. Procedure guidelines are recommendations to help agencies meet policy requirements.

Effective date: September 1, 2025

Approved by:  Matt Jones, Director

Process for Implementing:

<u>Action by:</u>	<u>Action:</u>
Agency	<p>1. Determine purchase value.</p> <ul style="list-style-type: none">a. Conducts Market Research to determine the Direct Buy value and reasonableness of the price proposed by the vendor(s).<ul style="list-style-type: none">i. The value of a Direct Buy is calculated on per transaction basis. The value of the contract refers to the total monetary worth of a good or service provided by a vendor for the period of performance of the Direct Buy.ii. When determining the value of a service contract, determine if there are upfront and/or ongoing fees throughout the life of the contract.<ul style="list-style-type: none">• For example, in the case of a maintenance services contract for a contract period of two years, the total value of the contract may include, but not limited to:<ul style="list-style-type: none">○ Any upfront costs for an agency to pay the vendor (e.g., for setup or inspection fee, diagnostic fees, service charges, or parts/equipment).○ Any ongoing costs (e.g., monthly or quarterly service charges for routine maintenance visits).

	<ul style="list-style-type: none"> iii. When determining the value of a good purchase, include: <ul style="list-style-type: none"> • The cost of the good(s), including shipping and handling and any other additional expenses (excludes taxes). iv. Considers any special rules or requirements attached to funding when estimating Direct Buy value.
Agency Purchaser	<p>2. Identifies the vendor(s)</p> <p>a. <u>Direct Buy Level 1:</u></p> <ul style="list-style-type: none"> i. If the Direct Buy value is determined to be \$40,000 or less, and the agency intends to utilize the Direct Buy procurement method to make the purchase, contact the selected vendor and make the purchase. ii. While not required, agencies are encouraged to identify and purchase from Washington small businesses or Veteran-owned businesses for Direct Buy Level 1 whenever feasible. <p>b. <u>Direct Buy Level 2:</u></p> <ul style="list-style-type: none"> i. If the total value of the purchase is between \$40,001 and \$50,000, and the agency intends to utilize the Direct Buy procurement method, the selected vendor must be a Washington small business or a Veteran-owned business. ii. Once vendor eligibility is confirmed and documented, the purchaser may proceed with the purchase. <p>c. <u>Direct Buy Level 3:</u></p> <ul style="list-style-type: none"> i. Invite Quotes from any combination of at least three Washington small businesses or Veteran-owned businesses that are capable of fulfilling the agency's requirements. Vendors contacted must be able to provide the good or service being procured. ii. Quotes must meet the definition of a "Quote" as outlined in the Direct Buy FAQ # 2. Informal or non-substantive responses do not qualify. iii. After inviting three Quotes, the purchaser may proceed with the purchase. <ul style="list-style-type: none"> (1) While price is an important factor, agencies may also consider other business needs such as delivery timelines, product quality, vendor responsiveness, or technical compatibility when determining best value. iv. If fewer than three qualifying vendors are identified or respond, the purchaser may proceed only if it has made a good faith effort to locate and contact at least three eligible vendors. These efforts must be documented and retained in the contract file. v. If no qualifying vendors submit a Quote, the agency must either conduct a competitive solicitation or use another allowable exemption under RCW 39.26.125 to complete the purchase.

	<ul style="list-style-type: none"> vi. Agencies must document the entire Direct Buy Level 3 process, including: <ul style="list-style-type: none"> (1) Quotes received and rationale for vendor selection and non-selection. <ul style="list-style-type: none"> (a) Use of the sample “Direct Buy Level 3 Worksheet Template” or an agency-specific template to record Quotes and support due diligence. (b) Efforts made to reach out to and rotate purchases among eligible Washington small and Veteran-owned businesses. vii. All outreach and documentation comply with the policy and promote equitable access. viii. Once vendor eligibility is confirmed and the quotation process is completed, the purchaser may proceed with the purchase.
Reporting Requirements	<p>3. Direct Buy Level 3 Reporting</p> <p>a. <u>If Utilizing Direct Buy Level 3</u></p> <ul style="list-style-type: none"> i. Use of Direct Buy Level 3 is optional. However, if an agency chooses to utilize this level, it must track and maintain records for each Direct Buy Level 3. ii. Agencies must be prepared to provide a report upon request by DES (or other entity). This reporting is not required at any specified interval and is a separate requirement from the annual contract report under DES’s Contract Reporting Policy #DES-210-01. iii. Agencies may use the DES provided Direct Buy Level 3 Reporting Template or develop their own reporting document for Direct Buys, provided it captures the minimum reporting requirements, is legible, and can be electronically transmitted upon request. iv. At a minimum, agencies must track and provide a compiled report the following information for each Level 3 Direct Buy: <ul style="list-style-type: none"> (1) Direct Buy identifier number (i.e. contract number, purchase order number, P-Card transaction number) (2) Amendment number (3) Vendor Name (4) Direct Buy start date or date of purchase (5) Direct Buy end date (6) Direct Buy value (excluding tax) (7) Identify the awarded contactor’s status (i.e. a Washington small business or Veteran-owned business) (8) Purpose of the purchase or contract description good or service procured?

Resources and Related Policies

- **Resources**
 - [Frequently Asked Questions \(FAQ\)](#)
 - **Direct Buy Level 3** [Worksheet Template](#)
 - **Direct Buy Level 3** [Reporting Template](#)
 - [2025 Direct Buy Video](#)
- **Related Enterprise Procurement Policies:**
 - [DES-POL-090-06](#), Supplier Diversity Policy
 - [DES-POL-090](#), Delegation of Authority Policy
 - [DES-POL-210-01](#), DES's Contract Reporting Policy
 - [WaTech PM-01](#)

Appendices

- There are no appendices associated with this policy.

History

N/A