



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.

Effective date: [DATE]

Sunset review date: [DATE]

Approved by: _____ Matt Jones, Interim Director

Process for Implementing:

<u>Action by:</u>	<u>Action:</u>
Agency	<p>1. Determine purchase value.</p> <p>a. Conducts market research to determine the contract value and reasonableness of the price proposed by the vendor(s).</p> <p>i. The value of a contract is calculated on per contract 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 contract.</p> <p>ii. When determining the value of a service contract, determine if there are upfront and/or ongoing fees throughout the life of the contract.</p> <ul style="list-style-type: none"> • For example, in the case of software as a service (SaaS) 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 training, professional support, or hardware purchases). ○ Any ongoing subscription fees (e.g., a monthly cost). <p>iii. When determining the value of a good purchase, include: <ul style="list-style-type: none"> • The cost of the good. • Shipping and handling costs. • Factor in any purchase discount. </p> <p>iv. Considers special rules or requirements attached to funding when estimating contract value.</p>

<p>Agency Procurement Coordinator</p>	<p>2. Identifies the vendor(s) to contact for quote(s).</p> <ul style="list-style-type: none"> a. <u>Level 1 Direct Buy Purchases</u> <ul style="list-style-type: none"> i. If the contract value is determined to be \$40,000 or less, and the agency intends to utilize a direct buy method to make the purchase, contact the selected vendor and make the purchase. ii. . b. <u>Level 2 Direct Buy Purchases</u> <ul style="list-style-type: none"> i. If the contract value is determined to be up to \$50,000, and the agency intends to utilize a direct buy method to make the purchase, the selected agency must be small or veteran-owned business. ii. Select the vendor and make the purchase. c. <u>Level 3 Direct Buy Purchases</u> <ul style="list-style-type: none"> i. Requests quotes from at least three vendors. ii. The quotes must be requested from Washington small or veteran-owned businesses. iii. If there are no small or veteran-owned businesses available, conduct a competitive solicitation process to make purchase. d. For all levels: <ul style="list-style-type: none"> i. Identifies a vendor by searching WEBS or utilizing the Office of Minority and Women’s Business Enterprises directory of certified firms. ii. Rotates purchases among available certified small or veteran-owned businesses for goods or services regularly purchased by the agency. <ul style="list-style-type: none"> • Makes subsequent purchases from the previous vendor if other vendors are not able to provide the good or service, or unable to meet the terms and conditions of the contract, including price. iii. Contacts the vendor by phone, fax, in-person, or email. If calling, read the specifications to the vendor(s). The goal is to provide the exact language to each vendor(s).
<p>Agency Procurement Coordinator</p>	<p>3. For Level 3, evaluates bids and awards contracts.</p> <ul style="list-style-type: none"> a. Uses the predetermined evaluation criteria to evaluate bid(s). b. Uses a worksheet to record evaluation scoring details (see sample Procurement Worksheet). c. Awards the contract to a vendor(s) proposing the lowest price(s). <ul style="list-style-type: none"> i. Documents why the vendor was selected, and why unawarded bids were not selected. ii. Contacts the awarded bidder and arrange to purchase the good or service.

Agency	<p>4. Documents the entire direct buy process.</p> <ul style="list-style-type: none"> a. Includes the efforts made to reach out to and rotate purchases among available Washington small and certified veteran-owned businesses. b. The price quotes and all other pertinent information discussed with the responsive bidders must be documented in contract file. c. Maintains in the contract file: <ul style="list-style-type: none"> i. The solicitation methods used. ii. The names of the vendors and their quoted prices. iii. Dates price quotes were obtained. iv. Duration of the price quote (it is recommended for agencies to specify this date to vendors).
Agency	<p>5. Reports all direct buy purchases using the Agency Contract Report process in accordance with the Reporting Agency Contracts Policy and Procedure.</p>

Resources and Related Policies

- Frequently Asked Questions (FAQ)
- WA-State Contract Management Manual
- Contract Management Policy
- Contract Management Procedure

Appendices

- There are no appendices associated with this policy.

History

N/A