## Washington State Department of Enterprise Services

POLICY # DES-125-03	DIRECT BUY PROCUREMENTS/PURCHASES (RCW <u>39.26.125</u> )
Purpose:	<ul> <li>This policy provides the following information:</li> <li>1) An established dollar threshold in which agencies may acquire goods and services directly from a vendor without requiring a competitive process.</li> <li>2) Implementation requirements, guidelines, and exemptions for direct buy purchases.</li> </ul>
Enabling Legislation: RCW <u>39.26.125</u> (3)	Beginning January 1, 2013, the Department of Enterprise Services (DES) director is required to establish policies for direct buy purchases/procurements. Direct buy purchases are exempt from competitive solicitation requirements.
Direct Buy Purchase Authorization:	Effective January 1, 2013, agencies are authorized to purchase goods and services up to a cost of \$10,000 (excluding sales tax) directly from a vendor and without competition. In addition, agencies are authorized to purchase goods and services up to a cost of \$13,000 (excluding sales tax) directly from a vendor and without competition if the purchase is being made from a microbusiness, minibusiness, or small business as those terms are defined by RCW <u>39.26.010</u> (17), (18) and (21).
Additional Requirements:	<ol> <li>Agencies must use existing "qualified master contracts" before engaging in a direct buy. Only when an existing qualified master contract cannot justifiably satisfy agency needs may the agency make a direct buy purchase.</li> <li>Agencies are encouraged to buy from in-state small businesses to include certified minority, women and veteran owned businesses.</li> <li>Unless otherwise exempt, procurements that exceed the direct buy limit must be competitively awarded, unless otherwise exempt from competition.</li> <li>Agencies may not unbundle or manipulate a purchase to have the purchase qualify as a direct buy procurement to avoid using a competitive process.</li> </ol>
Information Technology Procurements:	All applicable information technology related procurements must conform to OCIO <u>Policy #121</u> . Agencies may need to coordinate with their assigned <u>OCIO consultant</u> . DES will also be available to assist agencies.

Compliance:	Agencies are to exercise sound professional judgment in implementing direct buy. An agency's record of compliance with the direct buy policy will be a factor in an agency's risk assessment.
Definitions:	<ul> <li>"Direct Buy" means a procurement not requiring a competitive process.</li> <li>"Qualified Master Contracts" means: <ol> <li>DES Master Contracts.</li> </ol> </li> <li>Cooperative contracts that conform to all applicable Washington State procurement laws, rules, policies and trade agreements. DES will maintain a list of cooperative contracts that meet state requirements.</li> </ul>
Best Practice	Agencies should monitor repetitive purchases. When warranted, agencies should pursue an aggregated buy or notify DES of a potential master contract opportunity.