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Purchases About \$5,000

Non Information Technology Purchases

Departments create their purchase requisition in CFS at their PC. The requisition is routed electronically for necessary departmental approvals. Once the requisition has been approved by the departmental approver, it is forwarded electronically to Procurement and Contract Services where a purchase order is generated and sent to the supplier.

Purchase Guidelines

- **\$5,000- \$50,000** processing of non-IT supplies or services does not require a formal bid. Though bids are not required, all reasonable efforts are made to place orders with small and/or (DVBE). It is at the Buyers discretion to determine if it would be in the best interest of the University to obtain additional pricing for requests under \$50,000. A Purchase Order is required. University Procurement must assist with all orders \$5,000 and greater. Contact the buyer that oversees the area for the commodity that you need to purchase if you have questions.
- **\$50,000 –\$100,000** in accordance with CSU policies and regulations, all contracts for the acquisition of goods in the amount greater than \$50,000 and less than \$100,000 shall be advertised in the California State Contracts Register and may be the result of an informal bid process. An informal solicitation process may provide for submittal of written or verbal quotes from vendors. Bids that result in an award to a Certified Small Business are not required to be advertised in the California State Contracts Register, as long as price quotations have been obtained from two or more Certified Small Businesses. The Procurement team can guide you through this process.
- **\$100,000 and over** all contracts for the acquisition of goods in the amount of \$100,000 or more shall be formally bid and awarded by written contract or the issuance of a purchase order to the lowest responsible bidder meeting specifications. Efforts shall be made to meet the goals established for small businesses and disabled veteran business enterprises as set forth in section 215, and DVBE Participation Goals and 216, Small Businesses of the CSU policy manual for contracting and procurement.

Information Technology Resources (ITR) Purchases of Goods and Services

Information Technology is defined to include, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications which



include voice, video, and data communications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.

Purchase Guidelines

- **<\$50,000 from Certified Small Business**
Acquisitions that are estimated to be less than \$50,000 may be awarded to a Certified Small Business without competition and without advertising in the California State Contracts Register. However, whenever there is reason to believe a price quote from a single source is not fair and reasonable the campus shall obtain at least two price quotations from responsible suppliers.
- **<\$50,000**
Acquisitions that are estimated to be less than \$50,000 may be awarded when the price has been determined to have met fair and reasonable standards. The attainment of the standard of “fair and reasonable” may be determined by, but not limited to, one of the following techniques:
 - **Catalog or Market Price** – The price offered is supported by an established and verifiable catalog or market pricing medium issued by a responsible supplier and/or through an established reputable forum. In addition, the pricing structure provided is one that a prudent buyer would accept as a reasonable representation of existing market value.
 - **Price Comparison** – A buyer has obtained and documented quotes or offers within the last 18 month period from other responsible suppliers which provides evidence that a price obtained is deemed fair and reasonable.
 - **Historical Pricing** – A buyer is able to demonstrate that other transactions occurring in the past 18-months show prices for similar acquisitions, which provides evidence that a price obtained is deemed fair and reasonable.
 - **Controlled Pricing** – law or regulation sets the price offered.
 - Informal solicitation process.

Campuses may also define “fair and reasonable” attainment techniques that provide the best value to the CSU.

- **Acquisitions \$50,000 and less than \$250,000 from Certified Small Business or Disabled Veteran-Owned Business Enterprise (DVBE)**

This is called the Small Business / DVBE Option. Acquisitions for ITR goods and services that are estimated to be less than \$250,000 may be awarded to a Certified Small Business or DVBE as long as the campus obtains price quotations from two or more Certified Small Businesses or two or more DVBE’s.



Acquisitions equal to or greater than \$50,000 and less than \$500,000

Acquisition of IRT requirements that are estimated to be equal to or greater than \$50,000, and \$500,000 or less may be the result of an informal solicitation process that includes advertising in the California Contracts Register as:

- Solicitations for IT goods in excess of \$100,000
- All solicitations for IT services

Solicitations that include both IT goods and services:

- Advertisement must include both IT goods and services portions when the portion attributable to IT goods is in excess of \$100,000
- Advertisement may be limited to advertising the IT service portion of the solicitation when the IT goods portion is \$100,000 or less
- An informal solicitation process may provide for submittal of written or verbal quotes from vendors

Acquisitions greater than \$500,000

Acquisitions of IRT requirements estimated to result in contracts greater than \$500,000 shall be awarded as the result of a formal solicitation process.