

Subject: New “10 Percent Contract” Purchase Order Transaction Type

Audience: Procurement Directors

The SCEIS Team, in collaboration with the Material Management Office, is pleased to announce the creation of the **“10 Percent Contract” Transaction Type**. This new Purchase Order (PO) **Transaction Type** (also referred to as Document Type) will be available for use beginning *Friday, February 26, 2016*. Please note that this new transaction:

- Has the same PO functionality as the ZSTD SCEIS Standard Purchase Order.
- Accommodates requirements of the Consolidated Procurement Code (11-35-310[35]).

Code Summary

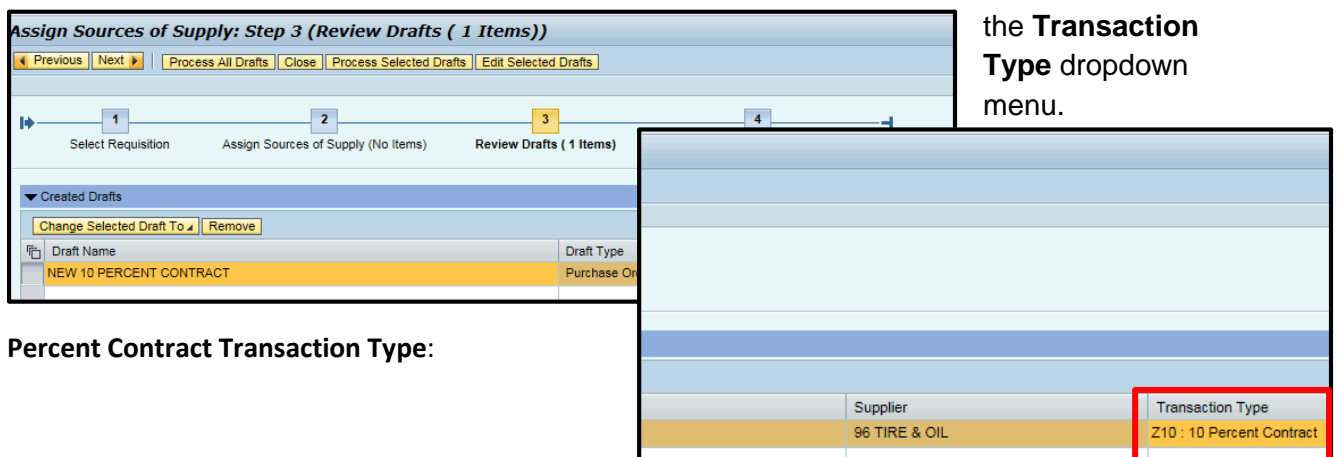
The Consolidated Procurement Code allows governmental bodies the ability to depart from otherwise mandatory state term contracts when an alternate vendor offers a price that is at least ten percent less than the term contract price, provided the governmental body offers the contract vendor the option to meet the lower price. The vendor offering the lower price is bound by all the terms and conditions of the term contract. The items or services and delivery terms must be the same; and any other special terms and conditions provided in the term contract apply. This law is commonly referred to as the 10% Rule.

Every State Agency is required to include all purchases made using the 10% Rule as part of their quarterly report to the Materials Management Office. The **10 Percent Contract Transaction Type** was created in order to facilitate agency's tracking and reporting of purchases using the 10% Rule.

10 Percent Contract Transaction Type Summary

Below is a screenshot of “Assign Sources of Supply: Step 3.” Note that **10 Percent Contract**

was selected from the **Transaction Type** dropdown menu.



Draft Name	Draft Type
NEW 10 PERCENT CONTRACT	Purchase Order

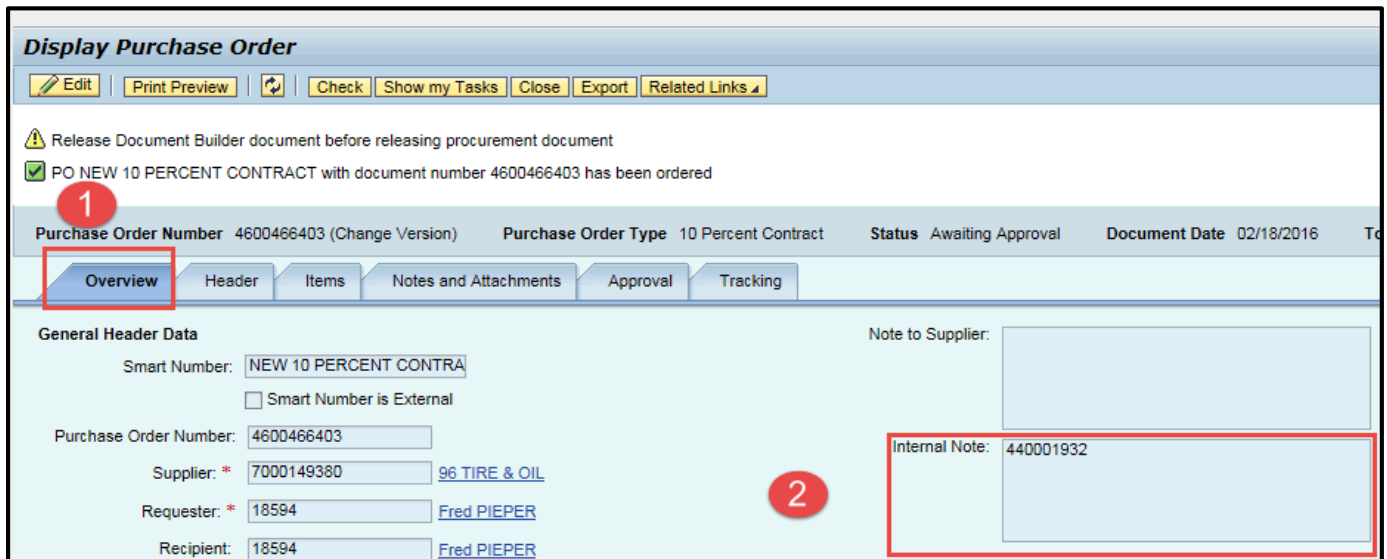
Supplier	Transaction Type
96 TIRE & OIL	Z10 : 10 Percent Contract

Percent Contract Transaction Type:

Weekly Update

March 1, 2016

- The Buyer will enter the 10 digit Term Contract Number in the **Internal Note** field located under the SRM PO **Overview** tab as shown below.
 - Do not include the Term Contract Vendor, Solicitation Number, or any other text in the **Internal Note** section under the PO **Overview** tab.
- If the purchase exceeds \$500.00, the form, *Acceptance of Offers 10% Below the Statewide Term Contract Price*, must be completed and attached to the PO.
 - The agency buyer will complete the form with the Term Contract Solicitation Number, Term Contract Description, Term Contract Contractor, and the Purchase Order Number.
 - The Alternate Vendor will sign the form certifying they have read & understood and agree to be bound by the terms and conditions of the Term Contract Solicitation.
 - The agency buyer will then sign the form certifying the items on the PO are all at least 10% less than the term contract and that the Term Contract Contractor declined to meet the prices of the alternate vendor.
 - A copy of this form can be found on the Procurement Services Division website at the following link:
http://procurement.sc.gov/webfiles/MMO_Legal/Terms/PurchaseOrderTenPercentFormApr2015.pdf



Display Purchase Order

⚠ Release Document Builder document before releasing procurement document
 ✓ PO NEW 10 PERCENT CONTRACT with document number 4600466403 has been ordered

Purchase Order Number 4600466403 (Change Version)
 Purchase Order Type 10 Percent Contract
 Status Awaiting Approval
 Document Date 02/18/2016

Overview | Header | Items | Notes and Attachments | Approval | Tracking

General Header Data

Smart Number: NEW 10 PERCENT CONTRA
☐ Smart Number is External

Purchase Order Number: 4600466403

Supplier: * 7000149380 96 TIRE & OIL

Requester: * 18594 Fred PIEPER

Recipient: 18594 Fred PIEPER

Note to Supplier:

Internal Note: 440001932