



Purchasing Department

270 Southgate Center (0333)

Blacksburg, Virginia 24061

540/231-6221 Fax: 540/231-9628

www.purch.vt.edu

Memorandum from Tom Kaloupek, Director of Materials Management

Date: August 1, 2006

Subj: Revised procedures for sole source procurements

University senior management has approved a recommendation to raise the threshold for sole source or proprietary procurement from \$5,000 to \$10,000. The sole source/proprietary justification form must now be completed and submitted to the Purchasing Department or Information Technology Acquisitions only if the value of the procurement is greater than \$10,000.

This change will reduce the amount of administrative workload required for many lower valued procurements and will allow for faster processing in the Purchasing and ITA Departments.

Purchasing and ITA Buyers have the latitude to process transactions valued at \$10,000 and below in several ways. The Buyer can place the order against a term contract. They can elect to obtain informal competition (quotes). They can seek to locate a SWAM supplier and place the order with them. Or, the Buyer can elect to place the order with the source suggested by the Department if they anticipate that other options will not be viable.