

Departmental Purchases

Virginia Tech's procurement procedures provide flexibility to departments to take care of their basic and continuing support requirements in an efficient and timely manner. When making a purchase, first consideration should be given to companies already under established university, state, or cooperative contracts. When there is open competition, consideration should be given to a certified small, women-owned or minority-owned business. Finally, it is everyone's obligation to ensure that we are obtaining goods and services at what we believe to be a fair and reasonable price at the best value of product or service.

At dollar amounts up to \$10,000, price competition among vendors is not required but is encouraged. Using a small, women-owned, or minority-owned company is encouraged. Once the vendor is selected, firm fixed price, inclusive of all charges for handling, shipping, tax (if any), etc. should be determined and a HokieMart requisition prepared.

Requisitions valued at \$10,000 or less will be converted by HokieMart into purchase orders and will flow directly to the supplier, without stopping for any necessary approvals. Requisitions valued about \$10,000 will flow to [Procurement](#) for their action and may flow through intermediate HokieMart approval steps depending upon the request and funding cited. Procurement will convert high value requisitions into purchase orders following completion of competition.

The below transactions can be processed at department level

- Purchase orders valued up to \$10,000.
- Maintenance agreements valued up to \$10,000.
- Items purchased through Direct Payment Procedures are considered financial transactions and are not processed by Procurement. According to [Virginia Tech Policy 3220, Direct Payment Procedures](#) certain types of purchases do not require competitive bidding and may be completed at the departmental level – even for amounts exceeding \$10,000. HokieMart contacts a special form for enacting Direct Pay transactions and will still result in a purchase order being issued through HokieMart that will encumber budgetary funds and ultimately will be matched and closed through the payment process in Accounts Payable.
- Purchase card transactions valued up to \$2,000, a purchase card should only be used as a final resort for paying for goods and services. The preferred method of purchasing will always be a HokieMart purchase order with payment after goods and/or services are received and invoiced.

- Purchases against an established contract.

Exemptions to Departmental Procurement Delegation

There are several exceptions to the \$10,000 departmental purchase delegation

- HokieMart catalog suppliers, orders in an unlimited amount may be placed with designated contract vendors who have placed catalogs in HokieMart, except for computers capped at \$200,000. Following departmental approval, HokieMart workflow will send electronic orders directly to the contract supplier and they will not flow to Procurement.
- Direct Pay Transactions, per [Virginia Tech policy 3220, Direct Pay Procedures](#), there are many categories that are greater than \$10,000.
- Contract purchases, Procurement has established term contracts that provide for ongoing needs for goods and/or services.
- There is a group of goods and services restricted from state funds, which require supplemental internal review before they can be purchased in any value. Reference [Procedure 20310, Invoice Payment](#) for more information on restricted purchases.