

Frequently Asked Questions About Statewide Term Contracts

The following information is provided solely as an introduction to certain concepts. Only the contract documents and any applicable statutes and regulations are binding. This summary is not an official agency interpretation of either a contract or the law and should not be relied on in any setting.

What is the "ten percent" rule?

For "governmental bodies" covered by the Consolidated Procurement Code, use of term contracts is mandatory—with one exception. If an agency finds another vendor willing to sell the same supplies, services or information technology at a price that is at least 10% less than the contract price and under the same terms, the agency “may purchase from the vendor offering the lower price after first offering the vendor holding the term contract the option to meet the lower price.” If the term contract vendor meets the price, then the purchase must be made from the contract vendor otherwise, the product may be purchased from the non-contract vendor provided the transaction and the process is properly documented sufficient to satisfy the requirements of an external audit. *See*, S.C. Code Ann. § 11-35-310(35).

How does the "ten percent" rule apply to political subdivisions?

The answer depends on each political subdivision's own rules. State law does not make the "ten percent" rule applicable to political subdivisions. While state law allows political subdivisions to use statewide contracts, a political subdivision could adopt rules that restrict or prohibit such participation. Likewise, state law does not provide for political subdivisions to use the "ten percent" rule, but a political subdivisions own rules could.

Can I make purchases for my personal use through my approved organization?

No, never. Individual people are not authorized to buy through state government.

Should I sign additional licensing, purchasing or other agreements at the time I buy or take delivery?

No. You are not obligated to nor should you agree to other or additional terms of acceptance of the product or service other than those terms which are expressly referenced in the statewide term contract. This applies to all types of goods, including computer software and copying machines. The state has already negotiated specific terms regarding warranties and use, particularly for most sophisticated electronic products. You should agree to sign nothing other than a receipt for the delivery of the product—certainly not a “receipt” that provides additional terms or purports to amend the terms of the contract pursuant to which

you are buying the supplies, services or information technology. Regarding commercial off-the-shelf software, statewide licensing agreements have already been established by the Information Technology Management Office for most software on a statewide term contract. A list of those statewide license agreements accompanies the listing for software statewide term contracts. Contact the contract vendor, software licensor, or responsible procurement officer for information on how a political subdivision can join in these licensing agreements. Individual entities are responsible for reviewing and approving software license agreements when purchasing software from manufacturers not on the list of manufacturers that have agreed to statewide license agreements.