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Protest Decision

Matter of: AutomateIQ Labs

File No.: 2026-219

Posting Date: May 22, 2026

Contracting Entity: The Citadel

Solicitation No.: N/A

Description: Sole Source Acquisition of Housing Management Software

DIGEST

Protest by AutomateIQ Labs (AutomateIQ) granted where sole source determination fails to provide legitimate reason for awarding a noncompetitive contract.

AUTHORITY

Per S.C. Code Ann. § 11-35-4210, the Chief Procurement Officer (CPO) conducted an administrative review of protests filed by AutomateIQ which is attached as Exhibits A. This decision is based on materials in the procurement file and applicable law and precedents.

BACKGROUND

On March 24, 2026, The Citadel published notice of its intent to award a sole source contract to StarRez, Inc. for housing management software via software-as-a-service. [Exhibit B] On March 25, AutomateIQ filed its protest with the CPO.¹

¹ While AutomateIQ calls the document it filed an intent to protest, it states both grounds of protest and the relief requested.

DISCUSSION

The State must draft specifications “to ensure cost effective procurement of the state’s **actual needs**” and they “shall not be unduly restrictive.” S.C. Code Ann. § 11-35-2730 (emphasis supplied); Regulation 19-445.2140. Specifications may be restrictive, so long as not unduly so. *Appeal by Cambex Corp.* Case No. 1992-7 (upholding restriction to IBM manufactured memory, as non-OEM could affect maintenance and repair time). When determining whether specifications are unduly restrictive, the CPO will not substitute his judgment for that of the Agency “so long as the choice of specification is not unreasonable, arbitrary, capricious, or contrary to the Procurement Code.” *Id.*

The State may award a contract without competition when there is only one source that can meet the State’s actual needs provided “the chief procurement officer, the head of a purchasing agency, or a designee of either officer, above the level of the procurement officer, determines in writing that there is only one source for the required supply, service, information technology, or construction item.” S.C. Code Ann. § 11-35-1560(A). Per Regulation 19-445.2105, delegation of the authority to make a sole source determination must be submitted in writing to the Materials Management Officer. The Citadel last provided the Materials Management Officer of written delegation of this authority on August 10, 2023. [Exhibit C]

On March 31, 2026, when the CPO first viewed the Citadel’s notice of intent to award a sole source contract, he followed the link for obtaining the sole source determination but it was not there. The same day, the CPO requested the Citadel to provide a copy. Shortly thereafter, the Citadel provided a link to the requested document. [Exhibit D] However, later that same day, the Citadel’s Director of Procurement Services (Procurement Director) provided a different determination. [Exhibit E] Per the Procurement Director’s email this was his determination “maintained as part of the of the official procurement file ... not typically posted with the public procurement.” [Id.] Neither determination was signed by the head of the purchasing agency or by someone to which that authority was delegated via written notice to the Materials Management Officer. The first determination is contained in a document called a requirements packet and was signed by the Citadel’s Chief Information Officer March 13, 2026. [Exhibit D] This document

had a place for the Procurement Director to also sign but is not signed. [Id.] The second is signed by the Citadel's Director of Procurement Services but not dated.² [Exhibit E]

While neither determination is properly executed and both are, therefore, invalid, based on the facts, it is difficult to determine which determination was intended to be the official determination. However, Regulation 19-445.2105 required the Citadel to include its determination or information on how to immediately obtain its determination in the notice of intent to award a sole source contract. This notice contained a link to a web address to view the determination. This appears to be the first determination since it was the one provided by the Procurement Manager identified in the notice upon request and the Procurement Director stated that his document is "not typically posted with the public procurement."³ Thus, based on Regulation the first determination is the official determination.

The first sole source determination is very detailed in its statement of need stating:

The College seeks to adopt a residential housing software application to support the effective management of on-campus housing operations and to enhance the residential experience for students. This platform will serve as the centralized system for housing-related processes, including room selection, assignments, communication, and operational coordination.

The adoption of this application is intended to improve accuracy, transparency, and consistency in housing administration while providing students with a more streamlined and accessible experience. By consolidating housing information and workflows into a single, secure system, the College seeks to better support student engagement, residence life operations, and institutional planning.

The residential software application aligns with the College's commitment to responsible technology use, data stewardship, and continuous improvement of student services. All use of the system will be governed by applicable institutional policies and relevant state and federal privacy and data protection requirements.

1. Operational Inefficiency and Staff Burden

Without a centralized residential housing system, housing operations typically rely on fragmented tools, manual processes, or ad-hoc workflows. Over time, this increases administrative burden on staff, slows response times, and diverts effort away from higher-value student engagement and residential programming.

² Sole source determinations must be dated so that upon audit it can be determined they were approved by the time required by law.

³ The CPO notes that the first determination includes the end users statement of need that as explained in this decision does not match the statement of need developed by the Procurement Director.

Manual coordination also raises the likelihood of inconsistent processes across residence halls or housing cycles.

Risk: Reduced operational effectiveness and staff burnout.

2. Increased Risk of Errors and Inconsistent Decisions

Housing assignments, room changes, occupancy tracking, and communication are highly transactional. In the absence of a purpose-built system, institutions face a greater risk of data entry errors, conflicting records, or inconsistent application of housing policies. These issues can escalate into student dissatisfaction, appeals, or disputes.

Risk: Loss of confidence in housing processes and increased remediation effort.

3. Limited Visibility for Planning and Decision-Making

Modern residential systems provide consolidated views of occupancy, demand patterns, room utilization, and operational trends. Without this visibility, leadership decisions related to capacity planning, renovations, staffing, or future housing investments are based on incomplete or delayed information.

Risk: Reactive rather than strategic housing and facilities planning.

4. Weakened Student Experience

Students increasingly expect self-service access, timely updates, and transparent housing processes. When institutions lack modern residential tools, students may encounter unclear timelines, delayed communications, or confusing procedures—particularly during high-stress periods such as room selection or move-in.

Risk: Diminished student satisfaction and perceived institutional responsiveness.

5. Scalability and Resilience Constraints

As enrollment fluctuates, housing policies evolve, or unexpected events occur (e.g., temporary relocations, maintenance issues, emergency housing needs), institutions without centralized systems may struggle to scale or adapt quickly. Manual processes are less resilient under pressure and more dependent on individual knowledge holders.

Risk: Operational fragility during peak demand or disruption.

6. Data Governance and Audit Challenges

Decentralized or informal housing records complicate data governance, retention, and audit readiness. Even when handled carefully, distributed spreadsheets or email-based workflows are harder to secure, track, and review consistently against institutional policies and regulatory expectations.

Risk: Increased exposure in audits, reviews, or public records requests.

7. Missed Opportunity for Service Integration

Residential housing does not operate in isolation. Without a modern platform, integration with student systems, campus services, or communication channels

may be limited or manual. This reduces the institution's ability to present a cohesive, coordinated student services experience.

Risk: Fragmented student services ecosystem.

Implied but not expressed in this statement is a need for the housing software application to integrate with other service applications. In the basis for awarding a sole source contract to StarRez, the Citadel states "[a] key operational requirement is direct, system-level integration with the College's existing facilities and maintenance ticketing system (WebTMA)." However, the basis for selecting StarRez was not that it was the only vendor that could integrate with WebTMA but that it was the only one that had a preexisting direct integration with WebTMA and other vendors would need to build an integration introducing "additional cost, implementation risk, ongoing maintenance burden, and potential points of failure."

The second determination describes the Citadel's actual needs in more restrictive terms than the first stating:

The requirement is not for a collection of separate tools or systems. Rather, it is for a single, unified platform that provides full housing management functionality and supports direct, operationally viable integration with WebTMA without the need for custom development or third-party middleware.

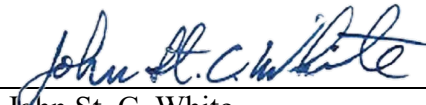
Basically, this need is based on a specific product by a specific vendor that the Citadel desires to acquire rather than based on its actual needs. This approach is a violation of Section 11-35-2730 and Regulation.19-445.2140.

Based, on the forgoing, the CPO finds that the Citadel's actual need was for a housing software application that could integrate with WebTMA. In its protest, AutomateIQ states that "WebTMA API is a RESTful, open integration framework that allows (ANY) developer to seamlessly connect with the agency's active WebTMA environment using secure, role-based access." This contention is supported by information on WebTMA's website. [Exhibit F] Due to its existing direct integration with WebTMA, StarRez may have a substantial advantage, and may be the best source, but it is not a sole source.

Protest Decision, page 6
Case No. 2026-219
May 22, 2026

DECISION

For the foregoing reasons, the CPO grants the protest of AutomateIQ and remands this matter to the Citadel to proceed in accordance with the Procurement Code.



John St. C. White
Chief Procurement Officer

Columbia, South Carolina

STATEMENT OF RIGHT TO FURTHER ADMINISTRATIVE REVIEW
Protest Appeal Notice (Revised July 2025)

The South Carolina Procurement Code, in Section 11-35-4210, subsection 6, states:

(6) Finality of Decision. A decision pursuant to subsection (4) is final and conclusive, unless fraudulent or unless a person adversely affected by the decision requests a further administrative review by the Procurement Review Panel pursuant to Section 11-35-4410(1) within ten days of posting of the decision in accordance with subsection (5). The request for review must be directed to the appropriate chief procurement officer, who shall forward the request to the panel or to the Procurement Review Panel, and must be in writing, setting forth the reasons for disagreement with the decision of the appropriate chief procurement officer. The person also may request a hearing before the Procurement Review Panel. The appropriate chief procurement officer and an affected governmental body shall have the opportunity to participate fully in a later review or appeal, administrative or judicial.

Copies of the Panel's decisions and other additional information regarding the protest process is available on the internet at the following web site: <http://procurement.sc.gov>

FILING FEE: Pursuant to Proviso 111.1 of the 2025 General Appropriations Act, "[r]equests for administrative review before the South Carolina Procurement Review Panel shall be accompanied by a filing fee of two hundred and fifty dollars (\$250.00), payable to the SC Procurement Review Panel. The panel is authorized to charge the party requesting an administrative review under the South Carolina Code Sections 11-35-4210(6), 11-35-4220(5), 11-35-4230(6) and/or 11-35-4410...Withdrawal of an appeal will result in the filing fee being forfeited to the panel. If a party desiring to file an appeal is unable to pay the filing fee because of financial hardship, the party shall submit a completed Request for Filing Fee Waiver form at the same time the request for review is filed. *[The Request for Filing Fee Waiver form is attached to this Decision.]* If the filing fee is not waived, the party must pay the filing fee within fifteen days of the date of receipt of the order denying waiver of the filing fee. Requests for administrative review will not be accepted unless accompanied by the filing fee or a completed Request for Filing Fee Waiver form at the time of filing." PLEASE MAKE YOUR CHECK PAYABLE TO THE "SC PROCUREMENT REVIEW PANEL."

LEGAL REPRESENTATION: In order to prosecute an appeal before the Panel, business entities organized and registered as corporations, limited liability companies, and limited partnerships must be represented by a lawyer. Failure to obtain counsel will result in dismissal of your appeal. *Protest of Lighting Services*, Case No. 2002-10 (Proc. Rev. Panel Nov. 6, 2002) and *Protest of The Kardon Corporation*, Case No. 2002-13 (Proc. Rev. Panel Jan. 31, 2003); and *Protest of PC&C Globals, LLC*, Case No. 2012-1 (Proc. Rev. Panel April 2, 2012). However, individuals and those operating as an individual doing business under a trade name may proceed without counsel, if desired.

**South Carolina Procurement Review Panel
Request for Filing Fee Waiver
1205 Pendleton Street, Suite 366, Columbia, SC 29201**

Name of Requestor

Address

City

State

Zip

Business Phone

1. What is your/your company's monthly income? _____

2. What are your/your company's monthly expenses? _____

3. List any other circumstances which you think affect your/your company's ability to pay the filing fee:

To the best of my knowledge, the information above is true and accurate. I have made no attempt to misrepresent my/my company's financial condition. I hereby request that the filing fee for requesting administrative review be waived.

Sworn to before me this

_____ day of _____, 20_____

Notary Public of South Carolina

Requestor/Appellant

My Commission expires: _____

For official use only: _____ Fee Waived _____ Waiver Denied

Chairman or Vice Chairman, SC Procurement Review Panel

This _____ day of _____, 20_____
Columbia, South Carolina

NOTE: If your filing fee request is denied, you will be expected to pay the filing fee within fifteen (15) days of the date of receipt of the order denying the waiver.