

## **GSA Contract Purchasing Procedures for North Carolina**

### **Important Information Regarding the GSA Contract Purchasing Procedures:**

Per NCAC 147 33.95(b)(2a), and 9 NCAC 06B.1006 (Cooperative Purchasing) these procedures apply to purchases under U.S. General Services Administration (GSA) Consolidated Schedule 70 (Information Technology and IT Special Item Numbers (SINs) on the GSA Schedule 70 only.

State Agencies must use established State Term Contracts (9 NCAC 06B.0701) or Master Agreements established for Enterprise use. Not all items under GSA Schedule 70 and the GSA Consolidated Schedule are available for Agencies to purchase. For example, State Agencies may not use the GSA contracts to purchase Telecommunication Goods and Services as per 09 NCAC 06B.0301. If the GSA Schedule 70 SIN is limited and not representative of a competitive marketplace, then the Agency must follow other applicable procurement Rules, policies and procedures.

GSA Vendors may accept or reject orders placed by the Agencies. Agencies utilizing GSA Schedule 70 shall not utilize a "low cost meeting specification" bidding process. GSA pricing is set at a maximum, therefore Agencies shall prepare and negotiate pricing with the responding Vendors, as well as terms and conditions, to obtain the best value.

Agencies on the e-Procurement System must issue Purchase Orders (PO) to the GSA Vendor through the e-Procurement System. Purchase Orders for goods issued are subject to the e-Procurement fee which is paid by the Vendor. GSA purchases are also subject to an Industrial Funding Fee (IFF) which Vendors pay to the federal government. GSA pricing includes the IFF.

### **GSA Contract Purchasing Procedures:**

1. Agencies will first determine if the necessary goods or services are available under a State Term Contract. If the goods or services are not available under a State Term Contract, the Agency shall:
  - a. Notify IT Statewide procurement of its desire to utilize GSA Schedule 70 and the SIN, and
  - b. Identify qualified Vendors for the necessary SIN under the GSA Schedule 70 contract, and
  - c. Conduct and document marketplace research to determine whether the identified GSA Vendors represent the general competitive market.
2. Upon receipt of the Agency's notice, the Statewide IT Procurement Office shall review the request, SIN and associated terms, conditions or other contractual matters.
3. If the Agency's marketplace research supports using GSA Schedule 70 and the SIN, and the advertising requirements of 9 NCAC 06B.0314(a)(5), (b) are waived:
  - a. An Invitation for Bid (IFB) will be developed by the Agency and then the IFB shall be submitted to the Statewide IT Procurement Office for review and approval.
  - b. Development of the IFB shall include legal review and revision of terms and conditions, legal review of applicable GSA terms and conditions for the SIN, and the Agency's risk determination of terms, conditions and other limitations for the SIN.
  - c. The Agency will issue an approved IFB directly to the GSA qualified Vendors. Per the GSA procedures, bids must be sent to a minimum of three (3) GSA vendors.
4. The Agency must follow the GSA Ordering Procedures for GSA Schedule 70. The web link to the instructions are located at:  
<http://www.expo.gsa.gov/content/how-place-task-order-services-against-gsa-it-schedule-70-contract>
5. The Agency will follow normal procurement procedures for review and evaluation of Vendor responses and then send their award recommendation to the Statewide IT Procurement Office. The Agency's review and evaluation shall include:
  - a. The Agency must negotiate pricing.
  - b. The Agency will review the Vendor's GSA SIN terms and conditions to determine the conflicts, business risks and what additional State terms and conditions should be included. The Agency may negotiate with the Vendor to reach a mutually acceptable agreement. The Agency may consult with the Statewide IT Procurement Office during negotiations.

6. The Statewide IT Procurement Office will then review the Agency award recommendation for approval or disapproval.
  - a. If approved, the Agency will issue a Purchase Order (PO) to the awarded vendor. Per the GSA contract, the Vendor has five (5) days to decide if they will accept or decline the Agency's PO.
  - b. If the Vendor does not accept the PO, then the Agency may select another qualified and responsive Vendor after notifying the Statewide IT Procurement Office.
7. If the Agency is unable to reach agreement with a Vendor using the GSA Schedule 70 process, the Agency may elect to proceed pursuant to applicable IT Procurement Rules and procedures.