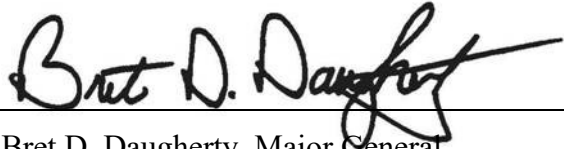




Department Policy No. FIN-112-14

Title:	Direct Buy Policy
Former Number:	FIN-112-14
Authorizing Source:	RCW 39.26 RCW 43.60A.200
References:	OCIO Policy #121 DES Policy 210-01
Information Contact:	Contracts and Procurement Administrator Building #1 (253) 512-8229
Effective Date:	October 1, 2014
Mandatory Review Date:	February 23, 2025
Revised:	February 23, 2021
Approved By:	 Bret D. Daugherty, Major General The Adjutant General Washington Military Department Director

Purpose

This policy establishes the Direct Buy procurement criteria authorized in [RCW 39.26.125\(3\)](#), documenting when commodities, goods, and services may be procured using a Direct Buy process.

Scope

This policy applies to all purchases executed by Washington Military Department state employees, members of the Washington State Guard, members of the National Guard on state active duty, and federal employees who make purchases on behalf of the state in accordance with [RCW 39.26](#).

Definitions

Commodities/Goods – Products, materials, supplies, or equipment provided by a vendor.

Direct Buy – A procurement not requiring a competitive process.

Purchaser – Washington Military Department state employees, members of the Washington State Guard, members of the National Guard on state active duty, and federal employees who either supervise state employees or manage state business activities.

Services – Labor, work, analysis, or similar activities provided by a contractor to accomplish a specific scope of work.

Policy

A competitive solicitation process must be used for all purchases of goods and services unless there is an exception listed under [RCW 39.26.125](#). Direct Buy purchases are one of the exceptions which do not require a competitive process. Certain public purchases do not justify the administrative time and expenses necessary to conduct a competitive process.

1. DES master contracts or DES approved cooperative contracts **MUST** be used, unless they cannot justifiably satisfy the agency needs or there is no existing master contract that covers the goods/services being procured. Documentation of such must be kept in the purchaser's procurement file.
2. Commodities, Goods and Services may be procured using a direct buy process only if the cost of the purchase is less than the following:
 - a. **Direct Buy Level 1:** \$30,000
 - b. **Direct Buy Level 2:** \$40,000, only if the purchase is being made from a small business as defined by RCW 39.26.010(22); or from a certified veteran-owned business.
3. The following conditions apply to the Direct Buy Levels:
 - a. Purchases from a large business' e-commerce marketplace (e.g. Amazon) are only authorized for Direct Buy Level 1.
 - b. Direct Buy Levels include shipping and handling costs but exclude taxes and finance charges.
 - c. Direct Buy Levels apply on a per transaction basis (to each contract term or to each purchase event).
 - d. With regard to repetitive purchases, if the Military Department makes the same types of purchases over and over again, even if from different vendors, it should enter into a competitive procurement.
 - e. If the agency enters into a contract using a Direct Buy, and any amendment to that contract causes the net value of the contract to exceed the Direct Buy threshold, the amendment shall be competitively bid.

- f. Due diligence shall be employed to determine that the price is reasonable based on experience and knowledge of the market.
 - g. It is the purchaser's responsibility to maintain documentation that the vendor met the criteria for Direct Buy Level 2, which shall be furnished upon request.
 - h. [DES' Protest Policy #DES-170-00](#) does not apply to Direct Buy purchases.
 - i. Advertising in Washington's Electronic Business Solution (WEBS) is not required for Direct Buy procurements.
4. Purchases may not be manipulated or divided into multiple purchases to have the purchase qualify as a Direct Buy purchase to avoid using a competitive process.
 5. Purchasers are encouraged to consider whether approaches such as unbundling and subcontracting may result in increased purchases from Washington small businesses, to include minority, women, and veteran owned businesses.
 6. All applicable information technology related procurements must conform to the Office of Chief Information Officer [\(OCIO\) Policy #121](#).