

**MEMORANDUM**

**TO:** All State Term Schedule (STS) Contractors

**FROM:** Eric Glenn, Administrator, Enterprise IT Contracting  
Kelly Sanders, Chief Procurement Officer

**DATE:** July 12, 2017

**SUBJECT:** New Requirements for STS Purchases

---

The Ohio Department of Administrative Services (DAS) is informing all STS Contract holders and their dealers who are authorized to be a part of their contracts of new requirements recently approved by the State of Ohio Controlling Board affecting State agencies' use of STS contracts to purchase goods and services. These requirements have been put in place to ensure that agencies are using competitive processes when making purchases and selecting suppliers. While State agencies are responsible for meeting these requirements, it is imperative for STS Contractors to be aware of these changes.

Effective July 1, 2017, for all purchase requests referencing a STS Contract as the purchasing authority, State agencies must receive three or more quotes. In instances where this is not possible (for example, if there is a sole source for the product/service or if fewer than three quotes were received), the agency must obtain a waiver of competitive selection from the Controlling Board, which, if granted, would authorize the purchase.

There are several important items to note regarding the new requirements:

- It applies to both new purchases and any efforts continued from the previous fiscal year; specifically, Fiscal Year 2017, which ended on June 30, 2017.
- With a work effort being continued from the prior fiscal year, if an agency had previously obtained three quotes when the original procurement occurred, the effort can resume once a purchase order is issued. Otherwise, the agency needs to either pause the work until obtaining no fewer than three quotes or the Controlling Board grants a waiver of competitive selection.
- Agencies may use their direct procurement authority to make purchases from STS Contractors, provided (a) the agency does not reference the STS contract as the purchase authority and (b) the cumulative encumbrances for and disbursements made to the supplier during the fiscal year do not exceed \$49,999.99. Note that the terms and conditions of the STS Contract still apply to these purchases.

Although implementing and adhering to these requirements rests squarely with State agencies, as an STS Contract holder, you and your authorized dealers can help facilitate this process not only by being aware of the changes, but more importantly, by providing quotes when requested. Your participation and responsiveness affirms the value of STS contracts, plus assures that agencies, and the public they serve, receive needed products and services in a timely, cost effective, and efficient manner.

Please direct any questions about this information to Eric Glenn (for IT-related contracts; [eric.glenn@das.ohio.gov](mailto:eric.glenn@das.ohio.gov)) or Kelly Sanders (for non-IT contracts; [kelly.sanders@das.ohio.gov](mailto:kelly.sanders@das.ohio.gov)). Thank you.

*The State of Ohio is an equal opportunity employer.*