REMINDER - Fiscal Year End Cut-Off Dates
May 25 - All requisitions for goods and services, including those for state contract items and those less than $10,000 requiring the requisitioning process.

Additional dates of interest:
• June 18: Last day for purchases using the p-card for payment to be made against the fiscal year 2012 budget (also see June 29);
• June 22: Last day for supply requests for copy paper from Central Receiving;
• June 29: Last day to receive goods and services for payment to be made against the fiscal year 2012 budget. P-card purchases must have proof of receipt included in the file.

Purchase Requisitions received after May 25 will be considered as emergency purchases (if needed on fiscal year 2012) and will therefore require the review, determination, and approval of the appropriate Vice President.

Thank you in advance for your cooperation.

If you have any questions, please contact the Office of Procurement.

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Life-Cycle Costing – Am I Buying A White Elephant???
When talking about the cost of an item, “white elephants” come to mind. The story originates out of Southeast Asia, where white elephants were (and still are) rare and sacred creatures. A king would give a white elephant as a gift but the catch was the cost to keep the white elephant. The recipient couldn’t get rid of the “gift” without offending the king and would go broke feeding and caring for the animal.

In acquiring items, Procurement likes to look at the Life Cycle Cost of an item. The initial price may be low but it is the cost of supporting and maintaining an item (be it software or equipment) that truly determines the cost of an item. Some companies lowball or give away their product because the equipment is proprietary. Once their product is installed, the profit is made in the maintenance or supplies over the next several years.

Things to consider in determining the true cost of an item:
• Professional Services / Consulting = Does the product have to be customized to meet our needs? Is vendor expertise needed to help determine how best to set up the product?
• Freight = Where is its origin? Involve specialized crating, such as dry ice? Does it have to go through customs?
• Installation = Special equipment required to unload? Prepare location, such as run lines for water, power, venting?
• Training = How complicated is the equipment to operate? Will vendor need to come back to train new personnel?
• Warranty/Maintenance = What type of support is needed to insure fast response, current upgrades, preventative measures, control parts costs?
• Supplies = What reagents, kits, filters, etc., are needed to utilize the machine?
• Cost to operate = Is it energy efficient? Will it power down if not in use?
• Trade-in value = How quickly will it become obsolete? When no longer needed, is there any resale value?
• Disposal = What will it cost to throw away? Security measures? Hazardous materials?

So the ultimate question is “Is this a good buy or a white elephant?”
**Procurement Term(s) of the Month**

**Responsible bidder:** character, integrity, reputation, judgment, experience, and efficiency of the bidder; Further considerations may include, but are not limited to whether the bidder can perform the contract within the time specified, the quality of performance of previous contracts or services, the previous and existing compliance by the bidder with laws relating to the contract or services and such other information as may be secured having a bearing on the decision to award the contract. A person who has the capability in all respects to perform in full the contract requirements and meets the elements of responsibility.

**Responsive bidder:** A person whose bid conforms in all material respects to the terms and conditions, the specifications, and other requirements of a solicitation.

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**Green Procurement – How and What to Buy**

In order to further the University’s commitment to sustainability, individual departments are encouraged to:

- Consider whether the item or service is really necessary.
- Consider used items available from Surplus Property.
- Purchase recycled and environmentally preferable products (EPP), when quality, performance and prices are comparable to alternatives.

**Recommended Products:**

- 100% recycled printer and copier paper
- Other paper products that contain the highest recycled content available
- Compostable and biodegradable bags and serving ware
- Remanufactured toner cartridges
- Appliances and computers – Purchase ONLY ENERGY STAR rated
- Cleaning products with Green Seal or EcoLabel Certified and Tested
- Energy saving lamps and ballasts
- Purchase printers and copiers with duplex printing capability and use this feature whenever practicable.
- Purchase from suppliers with existing contracts with the University or the State.
- Encourage suppliers to provide products and services that have minimal negative impact on the environment. Is the product durable and recyclable? Are there collection systems in place to recycle the product?
- Recycle unwanted supplies within your department.
- Share information about recycled products and environmentally responsible activities.

**Thinking About Purchasing a White Board?**

White Boards are available on the state contract under Office Supplies. Contact Max McLeod at Forms & Supply for a price quote. His contact information is:

- Toll free: 800-532-0335, ext 270
- Regional: 704-598-8971
- Email: max.mcleod@formsandsupply.com

**Cost Savings Ideas**

In these difficult economic times, the University faces many challenges. We thought it would be a good idea to use our newsletter as a forum to solicit and share suggestions on ways to reduce supply and equipment costs in the workplace.

Perhaps your department has already taken measures to identify and reduce such costs. Have you started using a generic product that works fine and saves money? If so, please share your ideas or suggestions with us by emailing them to Vicki@coastal.edu for publication in a future newsletter. If we use your idea, we will acknowledge your contribution. If you prefer not to have your name mentioned, just let us know.

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**VISIT OUR WEBSITE TODAY FOR TIMELY UPDATES & INFORMATION**

[www.coastal.edu/procurement](http://www.coastal.edu/procurement)