North Carolina
Department of Environment
and Natural Resources

Internal Operating
P O L I C Y

Section: Purchase and Services

Subject: Purchase

Approved By: DENR Secretary
(Subject To Final Review)

Eff. Date: 1991
Revised: 2012

SECTION: Purchase and Contracts/Purchasing Unit
SUBJECT: Purchase of Commodities

PURPOSE:

To establish procedures pertinent to the acquisition of commodities.

POLICY STATEMENT:

The Department has been delegated authority by the North Carolina Department of Administration Division of Purchase and Contract to directly procure items covered by term contracts and commodities not covered by term contract (open market) which are estimated to cost less than $25,000.00. It is the policy of the Department to solicit competitive prices for commodities to insure the best price while at the same time obtaining a quality product. **Purchasing procedures are contained in Chapter 143 of the North Carolina General Statutes.**

DEFINITIONS:

Purchases of commodities for customers are obtained using three (3) distinct methods:

1. **Purchase Order:** A purchase order is the written legal document that serves as the instrument to obtain commodities from authorized supply sources. The purchase order specifies the product(s) to be furnished by the vendor, price, shipping instructions, freight terms anticipated delivery of product and billing/payment information.

2. **Direct Payment Purchases:** Non-contract/open market commodities $2,500.00 or less.

3. **Procurement Card (Pcard):** A credit card issued to an individual in a division which enables the user to purchase goods and services without the issuance of a purchase order and without using the direct payment process. The total value of a transaction shall not exceed a cardholder's single purchase limit - $2,500.00 for open market and State Term Contract purchases. A purchase **MUST NOT** be split for multiple transactions to stay within the single purchase limit.

   The items that may be procured by using the Pcard are limited by Departmental standards and an agreed upon list between the division and the Departmental Coordinator.