



## **POLICIES AND PROCEDURES**

Policy # 013

Subj: Division of Purchasing & General Services Discount Pricing for Large Volume Purchases Policy

Effective Date: January 1, 2014

Ref: UCA 63G-6a-2105

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### **Purpose:**

Eligible users of state cooperative contracts may seek to obtain additional volume discount pricing for large volume orders provided state cooperative contractors are willing to offer additional discounts for large volume orders.

### **Policy:**

- (1) Eligible users may not coerce, intimidate or in any way compel vendors on state cooperative contracts to offer additional discount pricing.
- (2) Eligible users seeking additional pricing discounts for large volume purchases shall issue a "Request for Price Quotations" to each vendor on a state cooperative contract for the procurement item being purchased.
- (3) Executive branch procurement units without independent procurement authority shall contact the division to issue the request for price quotations.

### **Procedure:**

- (1) The request for price quotations, required by (3) above, shall include:
  - (a) a detailed description of the procurement item;
  - (b) the estimated number or volume of procurement items that will be purchased;
  - (c) the period of time that price quotations will be accepted, including the date and time price quotations will be opened;
  - (d) The manner in which price quotations will be accepted;
  - (e) The place where price quotations shall be submitted; and
  - (f) The period of time the price quotation must be guaranteed.
- (2) Price quotations shall be kept confidential until the date and time of the opening and may not be disclosed to other vendors on state cooperative contracts until after the date and time of the opening. Email quotations are acceptable.

- (3) Price quotations will be opened in the presence of a minimum of two witnesses.
- (4) Price quotations will become public at the time of the opening.
- (5) All terms and conditions of the state cooperative contract shall remain in effect unless the chief procurement officer approves the modification.
- (6) All sales resulting from the quotations received under the process conducted in accordance with R33-21-301 shall be recorded as usage under the existing state cooperative contract, are subject to the administrative fee associated with the state cooperative contract, and shall be reported to the division.

**Prohibitions:**

- (1) This process may not be used for:
  - (a) an anti-competitive practice such as:
    - (i) bid rigging;
    - (ii) steering a contract to a preferred state cooperative contractor;
    - (iii) utilizing auction techniques where price quotations are improperly disclosed and contractors bid against each other's price;
    - (iv) disclosing pricing or other confidential information prior to the date and time of the opening; or
  - (b) any other practice prohibited by the Utah Procurement Code.