



Procurement Rules and Procedures

Revised March 2023

PROCUREMENT POLICY AND GUIDELINES

PURCHASING AUTHORITY

The Procurement Official is the **sole purchasing authority** of the University. Purchases not authorized by this authority are not legal obligations of the University. **Any individual making a purchase without proper authority first being given is assuming a personal obligation to the vendor for whom he/she may be held personally liable.** The department, and those within the department, **are not authorized** to sign contracts, agreements, terms and conditions or other required paperwork from a vendor. These must be sent to Procurement Services! The only exception is Sodexo event forms for your department.

CONTRACT/AGREEMENT TIMELINE

If your department has a contract, agreement, or terms and conditions that require a signature, please submit by email to Lisa Glasco-lglasco@astate.edu. Some contracts require legal counsel review, which take 15 business days or more to process. Please **do not wait** until the last minute to send a contract in for signature. Some contracts will take longer to process and cannot be rushed or expedited.

PURCHASE REQUEST PRIOR TO ANY COMMITMENT

Accountability is a must; documentation must be approved by the ASU Procurement Services Department **prior** to any commitment that would result in the expenditure of funds. Caution should be used by individuals when researching or otherwise inquiring about services or products with any vendor. A simple conversation can sometimes be interpreted as an obligation by a vendor/contractor.

TRADEMARKS

All items purchased with ASU trademarked logos, must be purchased from a licensed vendor. The list of current licensed vendors can be found on the Procurement Service's website and is updated monthly.

BID THRESHOLDS

Most goods and services totaling \$20,000 or more require a bid process.

- Competitive bidding (\$20,000.01-\$75,000) – **requires 3 quotes in writing**
- Competitive sealed bidding (\$75,000.01+) – **must be sent to Procurement to bid**
- All sealed bids are advertised on the ASU Procurement Services website.
- State and Cooperative contract items do not have to be bid.
- Certain bids have to be sent to the Arkansas Legislative Committee (ALC) for approval and may take longer to process the order.
- Note: The threshold includes the freight amount but not sales tax amount.
- **Purchases may **not** be split to avoid bid limits**
- *Act 1080 of 2017 allows no bid procurement up to \$40,000 if from a certified minority business or certified woman-owned business.

Procurement Method	Procurement Value
Small orders (SO)	Up to \$20,000
Competitive Bids required (Quote Bids)	Over \$20,000, up to \$75,000
Competitive Sealed Bids/Proposals required (IFB, RFP)	Over \$75,000

DEPOSITS

Arkansas Law will not allow the University to pay a deposit. The issue regarding a deposit is due to A.C.A. §19-4-1206. This statute says that state entities cannot issue state funds unless the commodity has been received or the service rendered. That has been interpreted by state officials (specifically, the Office of State Procurement and the Department of Finance and Administration) to prohibit state entities from paying various forms of deposits, penalties or fees, many types of deposits, nonrefundable fees, and other obligations.

STATE AND COOPERATIVE CONTRACTS

State Contracts and Cooperative Services have been established to provide lower costs for higher education. Please utilize these contracts when possible.

<https://www.transform.ar.gov/procurement/vendors/state-contracts/>

Cooperative contracts can be found at this link.

<https://www.astate.edu/a/procurement/procurement-contracts.dot>

Cooperative contracts **must** be approved by legal counsel in order to utilize.

MANDATORY STATE CONTRACTS

The Office of State Procurement has exclusive authority to issue bids for some items, resulting in contracts that are mandatory:

- New motor vehicles
- Bathroom Tissues and Paper Towels
- Tires
- Statewide Groceries

Mandatory/non-mandatory state contracts can be found on the OSP website at

<https://www.transform.ar.gov/procurement/vendors/state-contracts/>

PRINTING

The Arkansas Competitive Bidding for Printing Contracts Proposed Amendment, also known as Proposed Amendment 54, was on the ballot in Arkansas on November 5, 1974, as a legislatively referred constitutional amendment. It was approved. The measure required competitive bidding in the purchase of and contracts for printing, stationary and supplies. All printing, regardless of cost, must be procured through a state operated printing facility such as ASU Printing Services, on State Contract, or thru bid procedures handled by Procurement Services.

TRADE-INS

The Office of State Procurement in Little Rock requires approval for trade-ins. The department is not to allow any trade in of equipment to a vendor without the approval from Procurement Services and the Office of State Procurement in Little Rock. Email Procurement Services when your department has a trade-in request.

INSURANCE REQUIREMENTS

Vendors that perform any type of work on the campus of Arkansas State University are required to meet specific insurance requirements depending on the scope of work to be performed. Evidence of insurance must be provided **before** performing the work.

CENTRAL RECEIVING/RECEIVING FREIGHT

Products ordered must be picked up or delivered to an authorized University address only. Products may not be delivered to a personal residence unless authorized by the appropriate Dean, Chair, or Vice Chancellor.

SPEAKER/GUESTS EXPENSES

We ask that you do not allow a speaker or other University guests to set up their own hotel and flight reservations. The department should do this with their departmental card. There are special state rates for some local hotels. Some departments require a guest of state memo to be completed. Please check with Procurement to see if this is required.

W-9 AND VENDOR INFORMATION REQUEST FORMS

It is required that Procurement have a completed new vendor packet (found on Procurement's website) from all new vendors before they will be entered into Banner. The department is responsible for securing these forms from the vendor. **Do not send this information by email!! Personally, Identifiable Information such as W-9, social security number and date of birth should be submitted using ShareSpace.**

INITIAL EQUIPMENT PURCHASE

"Equipment" as defined for inventory purposes is "all tangible property with a total unit cost of \$5000 or more and a normal usage of two (2) years". When "equipment" is purchased, an asset account must be used on the requisition. Items with a total unit cost less than \$5000 may require special consideration if they are part of, or used with a group or set. Purchases for equipment should not be combined with supply items on a requisition

EMPLOYEE-OWNED BUSINESSES

A.C.A. §19-11-705 (a)(1) prohibits state employees from participating directly or indirectly with a contract, subcontract, solicitation, in which the state employee of the state employee's family has a financial interest, or is a business in which the state employee or a family member has a financial interest, or a business in which the state employee or family member is negotiating for prospective employment.

A.C.A. §19-11-709(a) prohibits current state employees from being contemporaneously employed by a contractor to the state agency where the state employee works, and A.C.A. §19-11-709(b) prohibits former state employees from working for state contractors permanently (if the former state employee had decision making power pertaining to the contract/procurement) or for one year (if the former state employee if the contract fell within the former employee's responsibilities).

INDIVIDUAL MEMBERSHIP & LICENSES

In the event that a membership or license is in the name of an individual, the appropriate Vice Chancellor or Chancellor must approve the membership. A signed memo from the VC or Chancellor must accompany the requisition before it will be processed for

payment. This policy can be found on Procurement's website at <http://www.astate.edu/dotAsset/9fb45f3d-443d-4cee-b87f-35f76c8cdf0f.pdf>

Institutional Memberships do not need approval since they are in the University's name.

EMBASSY SUITES RED WOLF CONVENTION CENTER

The use of Embassy Suites by Hilton Jonesboro Red Wolf Convention Center is only allowed under certain circumstances. Colleges and departments must utilize University space for meetings when using University funds.

Procedure:

Colleges and departments are required to utilize University space when expending university funds for the rent of space and/or catering of meals.

Current policy allows departments to request permission to use an outside food vendor under unique circumstances and with the approval of the appropriate division Vice Chancellor and Vice Chancellor for Finance and Administration or his/her designee. This type of exception is fairly rare and must have approval from Sodexo as well.

For large meetings that meet the definition of the agreement with Hotel Partners LLC (Embassy Suites by Hilton Jonesboro Red Wolf Convention Center), colleges and departments would be encouraged to utilize the Red Wolf Convention Center if "a meeting, convention or other event for which not less than 150 individuals are registered and attend, and results in a hotel room stay by a least 150 registrants of not less than two consecutive nights."

RELOCATION ALLOWANCE FOR NEW FACULTY AND PROFESSIONAL STAFF

To outline allowable relocation costs and to clarify non-allowable costs:

Arkansas Code 19-4-522 (5) (e) allows the payment of employee moving expenses from state funds by institutions of higher education. Within the fiscal limitations of departmental units of Arkansas State University, a dean, director, or department head may pay an amount equivalent to up to 10% of the annual salary in moving expenses for new faculty or professional staff employees. The President, Chancellor, or a Vice Chancellor may authorize payments greater than this amount. The terms of agreement for payment of moving expenses should be included in the letter of appointment. The University's obligation applies to the movement of a "household" and does not constitute a separate allowance to each member of a family employed by the University.

A. Allowable Costs:

1. Moving the employee's household goods and personal effects.
2. Travel, including lodging but not meals, from the former residence to the new residence. This includes one night of lodging upon arrival at the new home destination. Subsequent nights of lodging are the responsibility of the employee.
3. Since it is often more economical to ship books by parcel post, individuals should investigate this possibility and should keep receipts to submit with their request for reimbursement.
4. If the faculty or professional member elects to move himself/herself (U-Haul, etc.) rather than utilizing commercial movers, receipts should be kept for vehicle or trailer rental charges, gasoline and oil purchases, toll charges, and special labor charges (other than the faculty or professional himself/herself) required in assisting with loading and unloading.

B. The University does not share in the following costs:

1. Storage of personal effects at either end of the move.
2. Additional insurance coverage over and above than normally carried by commercial moving companies.
3. Moving of household effects and personal books, not professional books, from an address other than the home address from which the individual is moving.
4. Tipping
5. Any subsequent moves from temporary to permanent housing not made within 6 months of the original move, nor agreed to upfront in writing as part of the employment offer.

Move scheduling should be done as soon as possible upon acceptance of employment, within one year from start of employment. Three written moving estimates must be secured for any amounts over \$20,000. Estimates under \$20,000 does not need bidding.

Payment will be made directly to the moving company by the university, or reimbursement for moving household goods and personal effects may be made to the employee, up to the amount authorized for the move. Original receipts are required for all reimbursements.

Procurement Services will not resolve any problems encountered with any moving companies. Regardless of how the employee manages a household move, moving expense payments to vendors of ASU employees must follow University Procedures.

During the move, the moving company may ask for guidance from the employee being moved. The employee being moved must understand that verbal instructions to the moving company may constitute a contract. ASU will not pay for verbal charges outside the written contract, and the employee will be solely liable. The moving employee needs to exercise caution to avoid this personal additional expense. When in doubt concerning a request from the moving company, call Procurement Services at 870-972-2028 for assistance.

THE FOLLOWING STEPS SHOULD BE FOLLOWED WHEN HOUSEHOLD GOODS MOVING SERVICES ARE REQUIRED.

1. Inform your new employee in writing of the allotted amount the department is willing to pay for moving expenses.
2. The new employee must attain three bids for any estimate over the \$20,000 threshold. Estimates under \$20,000 does not need bidding. Once they have received the cost estimates and selected the moving company, they should contact their ASU department with the information. The department should then follow through with an approved requisition to Procurement Services with the following information:
 - A. Name and phone number of the employee moving;
 - B. Name of contracted moving company and quote number, if applicable
 - C. Date of move and any pertinent particulars needed to ensure a successful move;
 - D. Copies of three the estimates (if over \$20,000) or a written quote for submittal (if under \$20,000). The employee should assure that the estimates/quote are within the authorized budget before the move takes

place. Any questions should be directed to Procurement Services before the employee signs the contract.

E. Location employee is coming from and moving to.

PAYMENT REQUISITIONS

A payment requisition acknowledges that an employee made a purchase on behalf of the University without first securing the appropriate internal approvals and without using a University authorized procurement method (i.e. valid Purchase Order, PCard, or existing signed and valid University contract). **This is a violation of University policy if not approved by Procurement Services.**

Procurement Services will no longer accept confirming order requisitions unless they are on the approved list below or permission has been given prior to the purchase.

We encourage departments to use their PCard or process an order requisition to eliminate confirming/payment orders.

NOTE: The department is responsible for ensuring all staff are made aware purchase orders are required before goods or services may be ordered or received. Lack of knowledge of proper procedure is not grounds for the approval of after-the-fact requisitions. The use of Foundation funds or the employee's personal funds may be required to pay the cost of an unauthorized purchase.

Although the items and services noted below are allowed on a payment requisition, if a supplier requires a purchase order or needs a contract signed by A-State, the employee will need to request a contract/purchase order through the normal requisition process. This is not an all-inclusive list of allowed items. **Permission will be given on a case-by-case basis.**

- Accreditation fees
- Student action funds
- Advertising
- Building Leases / Rentals
- Cadavers for Gross Anatomy laboratory
- Charitable donations
- Conference registrations – *Is there travel involved?*
- Equine supplies (bedding, hay, feed)
- Exams
- Freight Charges: Fed Ex/ UPS
- Food purchases when not using Sodexo
- Homeland Security fees as required by the Federal Government
- Insurance payments

- Internet Charges
- Livestock auctions
- Lodging
- Medical services for student athletes
- Medication for athletes
- Memberships & Registrations (fees for professional organizations and events)
- Non-duty Stipends/ Scholarships/ Fellowships – to the exclusion of honoraria, for which Purchase Orders are required.
- Parking fees
- Postal services via the US Postal Services (stamps, meters, packaging)
- Publication charges/ Page charges/ Scientific reprint fees
- Subscriptions and Renewal Subscriptions
- Temp Labor/Officials/Security
- Utilities (water, electric, sewer, gas, refuse disposal)
- Veterinarian services, including medication for farm animals

**** Claims for reimbursements should be submitted within 60 days of the original purchase. Failure to submit within a reasonable timeframe could result in non-payment.***

TECHNOLOGY PURCHASES

All technology purchases must be accessible to the visually impaired. This includes new technology purchases and software renewals.

A VPAT (Voluntary Product Accessibility Template) on most purchases will be required to verify the purchase is compliant with Federal and Arkansas law.

Software cannot be purchased via the P-Card unless approved in advance to verify that it meets the requirements.

Software Purchases

Contact ITS at 972-3033 and then Technology and Accessibility (vpap@astate.edu) in at 972-2005 for VPAT reviews. The initiator will submit an online requisition to the vendor, follow VPAT rules and procedures and complete the IT Security Questionnaire.

- The requisition will not be processed until Procurement Services receives the approved VPAT and the completed IT Security Questionnaire.
- The IT Security Questionnaire must be completed and signed ITS before it is considered complete.

FOOD PURCHASES

Departments must complete the Food Purchase Request form when using state funds to purchase food. The form is to be used for food purchases, for both on or off campus, events not provided by Sodexo, Inc., our Dining Services vendor. The form is **not** required when food is purchased using A-State Foundation or Student Agency funds.

- **On-Campus facilities** include all buildings on the Jonesboro campus with the exception of the Judd Hill Center.
- **Off-Campus facilities** include restaurants, parks, and other establishments not on the Jonesboro campus.

Sodexo **must** be used to cater the event when the event is held on campus.

On-Campus Official Functions

- Food purchased for an on-campus function must be purchased through Sodexo, Inc.
- In the event, Sodexo is unavailable, the Food Purchase Request Form must be approved by Sodexo, Inc., **PRIOR** to ordering from an off-campus vendor.

Required Approvals

- All food purchase requests for off-campus official functions must be approved by Sodexo, the department head, chair, dean, and vice chancellor **PRIOR** to the event.

FOOD FORM SIGNATURE

Sodexo Signature is NOT required on Food Form:

- Candidate Interview meals
- Donor meals
- Recruit meals
- Food purchases provided by Sodexo
- Classroom experiment food
- Coffee/WATER & supplies for University guests only
- Candy for community fairs, recruitment trips, and other University functions.
*Candy for the department is not allowed.
- Meals outside of Jonesboro

Sodexo Signature Required on Food Form Prior to Event

- Food purchased for an off-campus official function in Jonesboro
- Food purchased for an on-campus official function where Sodexo is unable to provide meal.
- Athletic Team meals

For more information on official functions categories, see Operating Procedure 05-09 and the Food Purchase Request form on Procurement Services' web site.

*We encourage departments to use the PCard for Sodexo purchases if possible.

CONTACTS

PROCUREMENT@ASTATE.EDU

Procurement Services has experienced some changes in the past year. Below is the contact information for questions:

Lisa Glasco, CPCP, CPPB, CPPO, NIGP-CPP, APO

Director of Procurement Services

lglasco@astate.edu

870-972-3449

Mike Smith, CPCP

Assistant Director of Procurement Services

mismith@astate.edu

870-680-4230

Craig Estes

Procurement Manager

crestes@astate.edu

870-972-2138

Connie Zolen

Buyer

czolen@astate.edu

870-972-3931

Travel and Departmental Cards

Garry Patterson in Accounts Payable – gpatterson@astate.edu – 870-972-2333 is responsible for Travel and Departmental Cards.