



**HENDERSON STATE UNIVERSITY**

# **Procurement Rules and Procedures**

**Revised July 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!

## **CONTRACT/AGREEMENT TIMELINE**

If your department has a contract, agreement, or terms and conditions that require a signature, please submit these by email to Lisa Glasco-Iglasco@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 Procurement Official **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.

## **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 HSU 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.**

<b>Procurement Method</b>	<b>Procurement Value</b>
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 the Office of State Procurement in Little Rock. Contact Marketing and Redistribution (M &R) in Little Rock if you have a trade-in.

## **INSURANCE REQUIREMENTS**

Vendors that perform any type of work on the campus of Henderson 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.

### **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 registration which includes a W9. **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).

### **TRAVEL**

Travel is not processed by requisition through Procurement Services. Please contact the Travel Department at 870-972-3903 or [travel@astate.edu](mailto:travel@astate.edu) for the appropriate process.

## **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 payment requisitions unless they are on the approved list below or permission has been given prior to the purchase.**

**We encourage departments to use their P-Card 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
- 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.

#### **A.C.A. §19-11-270**

A person who purposely violates state procurement laws, Arkansas Code Title 19, Chapter 11, upon conviction is guilty of a Class D felony.

## CONTACTS

### [PROCUREMENT@ASTATE.EDU](mailto: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](mailto:lglasco@astate.edu)

**870-972-3449**

#### **Mike Smith, CPCP**

**Assistant Director of Procurement Services**

[mismith@astate.edu](mailto:mismith@astate.edu)

**870-680-4230**

#### **Craig Estes**

**Procurement Manager**

[crestes@astate.edu](mailto:crestes@astate.edu)

**870-972-2138**

#### **Travel and Departmental Cards**

Garry Patterson in Accounts Payable – [gpatterson@astate.edu](mailto:gpatterson@astate.edu) – 870-972-2333 is responsible for Travel and Departmental Cards.

[travel@astate.edu](mailto:travel@astate.edu)