

MISSISSIPPI STATE UNIVERSITY

VENDOR GUIDE HOW TO DO BUSINESS WITH MSU



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**VENDOR GUIDE
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PURCHASING

1) Background

- a) The purchasing function promotes the objectives of the University by providing administrators, faculty, and staff member's necessary supplies, equipment and services. This function is carried out by the Procurement and Contracts Department (610 McArthur Hall, telephone 662-325-2550) and is centralized under the Office of the Vice President for Finance and Administration. The management of this department is the responsibility of the Director of Procurement and Contracts who is accountable to the Associate Vice President for Finance and Administration.
- b) The basic objective of the Procurement and Contracts Department is to obtain supplies, equipment, and services efficiently and effectively – that is, in the right quality and quantity, at the right price, from the right source, and in a timely and organized manner which will provide for essential accountability of University expenditures.
- c) Completion of the purchasing process involves the joint efforts of the Procurement and Contracts Department, user departments, and vendors (sellers). However, the Procurement and Contracts Department has the final authority to conduct and conclude agreements concerning prices and conditions of sale. Institutional commitments are made by the Procurement and Contracts Department in accordance with requisitioning and ordering procedures. This department also provides a control function by acting as the legal agent of all departments within the University in dealing with every firm, which supplies or aspires to supply materials, equipment, and services.
- d) Suppliers should take the time to review this guide to ensure an understanding of the rules and regulations governing purchases by MSU departments. While the authority to purchase has been specifically assigned to the Procurement and Contracts Department, much of the decision making related to the acquisition of goods and services rests at the departmental level. Suppliers/vendors/contractors should :
 - i) Review this guide
 - ii) Contact the appropriate departments to make the departments aware of their products and services
 - iii) Contact the Procurement and Contracts Department with any questions

2) What MSU Purchases

- a) Purchases include, but are not limited to the following types of goods and services:
 - i) Scientific equipment
 - ii) Office furniture
 - iii) Office supplies
 - iv) Textbooks
 - v) Library books
 - vi) Chemicals
 - vii) Minor repair
 - viii) Construction materials

- ix) Construction machinery
- x) Maintenance service
- xi) IT equipment, software and services
- xii) Performing services

3) How MSU Purchases

- a) As a public institution, we must follow state purchasing laws and regulations. The [Mississippi Office of Purchasing and Travel](#) was established to coordinate and promote economy in purchases made by state agencies through use of [statewide contracts](#). These contracts provide MSU a quick and efficient means of procuring various types of commodities. When available, we most often utilize the state contracts.

State law also established the [Mississippi Department of Information Technology Services \(ITS\)](#) to centralize and regulate procurement of data processing and information technology equipment. Most IT related purchases are executed using the [Express Products List \(EPLs\)](#) available through this agency.

Certain commodities and/or services may not be available on state contract. When these circumstances arise, we follow applicable state regulations to solicit quotes or formal bids from potential vendors.

4) Conducting Business with MSU

Basic guidelines

To assist vendors in conducting business with Mississippi State University basic guidelines have been provided below, detail is located throughout this guide:

- (1) Original invoices must be sent to the address specified on the [Procurement and Contracts home page](#). When applicable, the PO number must be referenced.
- (2) Invoices may also be e-mailed to the following address:
VendorInvoices@procurement.msstate.edu
- (3) Please call ahead for appointments.
- (4) Make each visit meaningful. Bring us a new idea, approach, or product to help us keep up to date.
- (5) Please accept only an authorized purchase order from Procurement & Contracts, a contract signed by the Director of Procurement and Contracts or a Procurement Card.
- (6) Please do not accept promises from other university departments that you will be given an order.
- (7) Please quote realistic delivery dates. We need accurate information for planning purposes.
- (8) Make sure Procurement and Contracts is involved when discussing requirements with any university department.
- (9) Honor all pricing, delivery, and service agreements.
- (10) Please do not offer gifts or gratuities to university employees.
- (11) When submitting prices please indicate shipping terms if other than FOB Destination. MSU will not pay shipping charges unless specifically addressed in the quotation or bid.

5) Official Policy Statement

- a) Procurement and Contracts has the sole authority to order supplies, materials, and equipment, and to obligate the University for contractual services with the exception of books purchased by the Library and merchandise purchased for resale by the Bookstore. Without definite and particular permission of Procurement & Contracts, no University department may order directly by letter, telephone, telegraph, or in any other manner. The University will assume no obligations except on previously issued and duly authorized purchase orders, a signed contract, or goods and services procured utilizing the procurement card system.

6) Public Procurement Requirements

- a) Public Procurement requirements in the State of Mississippi are based upon the laws of the State as well as the policies and procedures established by several state agencies. In addition, MSU Procurement requirements are dictated by IHL policy and MSU policy. While there are many laws and policies that impact the procedures, the basic public purchasing law for commodities, supplies, construction, and printing is set forth in Section 31-7-1 to 31-7-13 of the Mississippi Code. <http://michie.com/mississippi/lpext.dll?f=templates&fn=main-h.htm&cp=>
- b) In addition to the law, most purchases must be in compliance with the policies and procedures set forth by the Office of Purchasing, Travel and Fleet Management. <http://www.dfa.state.ms.us/Purchasing/ProcurementManual.html>
- c) If an item is on a competitive bid state contract, (see <http://www.dfa.state.ms.us/Purchasing/StateContracts/Competitive.html>) the item should be purchased from the contract vendor. If the product will not meet the need of the department, a justification must be submitted to request approval to purchase from another source. The Exemption from state contract approval form should be used for this purpose. <http://www.procurement.msstate.edu/forms/statecontractexemption.xls>
- d) If an item is on a negotiated state contract (see <http://www.dfa.state.ms.us/Purchasing/StateContracts/Negotiated.html>) the item should be purchased from one of the contract vendors. Departments are urged to negotiate with the vendor to obtain prices lower than the state contract. If the products on the negotiated contracts will not meet the need of the department, the department should follow the statutory bidding process described in section e.
- e) If an item is not on any state contract, the following thresholds shall apply:
 - i) \$0 to \$5,000 – no competition required. Departments are urged to consider seeking a second or third price to ensure obtaining the right product at a good price.
 - ii) \$5,000.01 to \$50,000 – two quotes are required. The quotes must either be signed by an authorized representative of the quoting company or must be accompanied by an email that clearly indicates the name and contact information for the individual submitting the quote.
 - iii) \$50,000.01 and up – MSU must develop specifications, terms and conditions, and an Invitation to Bid document. MSU must advertised the solicitation and receive formal bids.
- f) Services do not fall under these bid thresholds.

7) Invoices

- a) Invoices for purchases should be submitted by the vendors to the Procurement and Contracts Department. .

8) Establishing Date For Payment Of Invoices

- a) Section 31-7-305, Laws of the State of Mississippi, requires that suppliers be paid within forty-five (45) days of receipt of goods in good condition or receipt of invoice, whichever is later. Disputed invoices may have a longer period if the reasons are documented, but amounts not in dispute must be paid on time. An interest penalty of one and one-half percent (1½%) per month is required to be added on all invoices, which are not paid within the forty-five (45) period. Any penalty for late payments will be charged to the department responsible for delay.
- b) It is necessary to establish a date to begin counting the 45-day period. The date used as the beginning of the 45-day period is the day the invoice is received by Procurement and Contracts and entered into Banner. If the goods are damaged or the invoice is priced incorrectly or there are other problems or concerns, the department will contact the Procurement and Contracts Department immediately for assistance in properly handling and documenting the problems.

9) Corresponding With Vendors

- i) If there is a need to contact a vendor pertaining to an order, for example, an unusually long delay before delivery, the Invoice Control Specialist at Procurement and Contracts Department will be responsible for making the contact. All letters or calls to vendors regarding purchase orders and deliveries are to be made by the Procurement and Contracts Department. In addition, all changes and substitutions must be approved by the Procurement and Contracts Department and communicated by them to the vendor in written or verbal format. **A department has no authority to authorize changes to the purchase order or contract.**

10) Maintenance Agreements

- i) All maintenance agreements are to be signed by the Procurement and Contracts Department.

11) State Sales And Federal Excise Taxes

- i) State sales taxes and federal excise taxes are not paid by MSU. Tax exemption certificate is available at <http://www.procurement.msstate.edu/forms/taxform.pdf>.

12) Computers And Telecommunications Equipment

- i) The Central Data Processing Authority (CDPA) has given the university an exemption on the purchase of computers and telecommunications equipment of \$250,000.00 and less. The purchase of computer and telecommunications equipment below these levels do not require CDPA approval but must comply with State purchasing laws. The purchase of computer and telecommunications equipment with 100% Federal funds for any dollar amount are exempt from CDPA approval, but must comply with State purchasing laws. For additional information, contact the Procurement and Contracts Department.

13) Renting Or Leasing Equipment

- i) All rental or lease agreements must be signed by the Procurement and Contracts Department.

14) Procurement Card

- a) Purchases made using the Procurement Card must be in compliance with the guidelines set forth in the Procurement Card Users Guide.
<http://www.procurement.msstate.edu/procard/procardguide.pdf>

15) Contract Guidelines

- a) Sponsored program contracts shall not fall under these guidelines. All other contracts, agreements, memorandum of understanding or any other obligations or commitments to which the University will be held shall be entered into only after full compliance with these guidelines.
- b) Authority to sign contracts has been delegated by the President to the Division of Finance and Administration; specifically, to the Vice President for Finance and Administration, and Director of Procurement and Contracts. No one else is authorized to sign a contract unless they have a letter from the President.
- c) A contract is "an agreement between two or more parties creating obligations that are enforceable or otherwise recognizable at law". Black's Law Dictionary, Seventh Edition. With that background, all documents to be executed on behalf of MSU and any of its subunits, whether the subunits are referred to as a Center, a Department, a College, or otherwise, and which will result in a "contract" between MSU and a third party, must be handled consistently and must contain terms and conditions that are consistent with all applicable State laws, MSU policies, and Board of Trustees policies.
- d) A letter from the President authorizing an individual to enter into a contract does not act as an exemption to the process set forth below.

16) Contracts

- a) Please remember that only those specifically authorized in writing to do so may sign contracts for the University. We suggest the following process:
- b) The contractor should use our "Standard" contract with the proper scope, dates, payment terms, etc. These contracts can be seen at <http://www.procurement.msstate.edu/contracts/services.php>
- c) If the contractor will accept this contract, it will greatly reduce the time and effort involved in gaining approval. When contractors require us to use their "standard terms and conditions", we must conduct a great deal of additional legal review. If the contractor is in substantial agreement with our contract, Part C should be completed identifying the specific clauses, which cause problems, and providing alternative language. This type of contract is easier to review than an entire new contract document.
 - i) If the contractor will accept and sign our contract, the department will submit the contract to P&C for execution.
 - ii) If the contractor refuses to accept our standard contract, the department should send them a copy of the Mandatory Addendum and ask them to incorporate it into the contract. The contractor should then submit their proposed contract to P&C for review. We will conduct the required review and will determine if the contract is acceptable. If appropriate the contract will be forwarded to the Office of General Counsel to obtain a review for legal sufficiency. Upon completion of the review we will return the contract to the contractor and have the contractor initial the changes, sign the contract, and return it to P&C, where we will sign the agreement.

17) IHL Approval.

- i) IHL Board approval is required for all contracts or purchases of more than \$250,000.

18) HRM Forms

Contracting Services Of Individuals, Sole Proprietors, And Nonresident Aliens

- i) In order to avoid issues in meeting agreed upon payment terms, we strongly recommend that all required paperwork and forms be obtained at the time the contract is being negotiated. Fees paid for services to individuals require that an HRM 323 (Classification Checklist Form) and HRM 322 (Consultant Services Cover Sheet) (<http://www.msstate.edu/dept/audit/PDF/6504A.pdf>) be completed prior to the individuals' performance of said services. If the individual is a PERS (Public Employees' Retirement System) Service Retiree, then the Department of Human Resource Management must be contacted and further paperwork will need to be processed through the PERS office in Jackson. Nonresident aliens need to complete an IRS Form 8233 [Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual]. Nonresident alien teachers and researchers must also file a statement along with Form 8233 (see Appendix B of IRS Publication 519). Once the form and statement is received by Accounts Payable it must then be properly sent via mail to the IRS and no payment can be made until ten days after the mailing.

19) Available Tools

- i) **Service Contract** – The forms and instructions for our standard service contract can be seen at <http://www.procurement.msstate.edu/contracts/services.php>. This agreement has been reviewed by our legal team and therefore, in most cases, will be quick and easy for us to approve. Whenever there are deviations from the standard agreement or the vendor requires use of their own agreement, delays are inevitable.

20) Mandatory Addendum

- i) <http://www.procurement.msstate.edu/contracts/mandatoryaddendum.pdf> Any time a vendor will not accept our standard service contract we require that this addendum be made a part of the contract. The addendum has been reviewed by our legal team and ensures compliance with the laws and policies of the State and the Institution.

21) Rental Agreement For Equipment

- i) http://www.procurement.msstate.edu/contracts/equipment_rental.pdf This contract can be used when renting equipment. While it was specifically designed for the rental of copiers, it can be adapted to other types of equipment by including an addendum. Once again, it contains all of the clauses and protections, which we require.

22) Location, Address, Phone And Hours Of Operation

a) *Office Location*

- i) McArthur Hall, 5th Floor

b) *Mailing Address*

- i) Mississippi State University
Procurement and Contracts
PO Box 5307
Mississippi State, MS 39762

c) **Hours of Operation**

i) M-F 8:00 am to 5:00 pm

d) **Phone**

i) Director (662) 325-2861
 ii) Department (662)325-2550

e) **Fax**

i) Director (662) 325-2135
 ii) Department (662) 325-8640

23) Staff Information

Procurement & Contracts	
Don Buffum Director	(662) 325-2861 dbuffum@procurement.msstate.edu
Judy Shaw Procurement Assistant	(662) 325-2861 jshaw@procurement.msstate.edu
Procurement General	
Jennifer Mayfield Purchasing Agent	(662) 325-5539 jmayfield@procurement.msstate.edu
Taylor Adams Purchasing Agent	(662) 325-1934 tadams@procurement.msstate.edu
Contracts	
Daniel J. Spencer (Jeremy) Contract Administrator	(662) 325-2687 jspencer@procurement.msstate.edu
Procurement Card	
Jay Rester Procurement Card and Invoice Control Manager <i>Alphabetical Responsibilities: Board of Trustees and Vehicles</i>	(662) 325-2429 jrester@procurement.msstate.edu
Melissa Inmon Procurement Card Specialist	(662) 325-5873 minmon@procurement.msstate.edu
Brandy Moss Procurement Card Processor	(662) 325-8925 bmoss@procurement.msstate.edu

Procurement – Invoices	
Carol Wagnon Invoice Control Processor <i>Alphabetical Responsibilities: A, C, E, K</i>	(662) 325-1822
Linda Makamson Invoice Control Processor <i>Alphabetical Responsibilities: M, R, S, T, U</i>	(662) 325-1823 lmakamson@procurement.msstate.edu
Jhonda Taylor Invoice Control Processor <i>Alphabetical Responsibilities: B, F, I, J, N, V</i>	(662) 325-4527 jtaylor@procurement.msstate.edu
Shabrina Williams Invoice Control Processor <i>Alphabetical Responsibilities: D, G, H, L, O, P, Q, W, X, Y, Z</i>	(662) 325-1825 swilliams@procurement.msstate.edu
Procurement - Requisitions	
Amanda Burgess Requisition Control Supervisor	(662) 325-1818 aburgess@procurement.msstate.edu
Marilyn Massey Order Clerk	(662) 325-1820 mmassey@procurement.msstate.edu
State Contracts	
Jo Wade State Contract Specialist	(662) 325-1817 jwade@procurement.msstate.edu
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Bids	
Debra Raines Bid Specialist	(662) 325-2553 draines@procurement.msstate.edu
Vendor Records	
Jo Wade	(662) 325-2550 jwade@procurement.msstate.edu
Intermittent Worker	
Doris Pearson	(662) 325-2551 dpearson@procurement.msstate.edu